

JPRS-SEA-84-162

26 November 1984

## **Southeast Asia Report**

**FBIS** FOREIGN BROADCAST INFORMATION SERVICE

#### NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

#### PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

26 November 1984

## SOUTHEAST ASIA REPORT

## CONTENTS

## AUSTRALIA

Left Wins in AMFSU Elections 25 Sep 84 (Paul Molloy; THE AUSTRALIAN, 26 Sep 84) .....	1
Santamaria Defends Alliance With U.S. (THE AGE, 27 Sep 84) .....	2
Hayden Resists U.S. Efforts in ANZUS Solution (THE SYDNEY MORNING HERALD, 26 Sep 84; THE AGE, 29 Sep 84) .....	5
No 'Errand Boy for U.S.', by Jenni Hewett Warns Against NZ Sanctions, by Peter Cole-Adams	
Hayden Interview: Coming to Terms With Power (Jenni Hewett; THE SYDNEY MORNING HERALD, 24 Sep 84) .....	8
Hayden, Mochtar UNGA Meeting; Seabed Talks Prospects (Peter Cole-Adams; THE AGE, 28 Sep 84) .....	12
Foreign Exchange Fluctuations Cause Business Losses (Malcolm Wilson; THE SYDNEY MORNING HERALD, 25 Sep 84) ...	14
Editorial Hits Antibusiness Attitudes (THE COURIER-MAIL, 28 Sep 84) .....	16
Opposition Senator Claims U.S. Base in Nuclear Target (THE WEST AUSTRALIAN, 28 Sep 84) .....	17
Foreign Limits in Brokerage Firms To Be Lifted (Nikki Savva; THE AUSTRALIAN, 28 Sep 84) .....	18
Trade War Looms With U.S. Over Coal for Japan (Simon Holberton; THE AGE, 27 Sep 84) .....	19

## INDONESIA

East Java NU Calls for Congress To Be Held Soon (MERDEKA, 3 Sep 84) .....	21
Reasons for Delayed Preparation of Resettlement Land Cited (MERDEKA, 4 Sep 84) .....	23
Home Affairs Minister's Guidelines for Supervising G30S Detainees (SINAR HARAPAN, 4 Sep 84) .....	24
Procedures for Issuing Foreign Worker Permits Simplified (SINAR HARAPAN, 1 Sep 84) .....	25
Sending of Workers From Flores to Malaysia Suspended (KOMPAS, 13 Sep 84) .....	27
Discarding Kaaba as PPP Symbol Advocated (PELITA, 12 Sep 84) .....	30
Scrapping of Ships Has Little Effect on Freight Volumes (KOMPAS, 12 Sep 84) .....	32
East Java Food Procurement Surpasses Target (SURABAYA POST, 11 Sep 84) .....	33
Muhammadiyah, Muslim Students on Pancasila, Social Organization Bill (HARIAN UMUM AB, 11 Sep 84; SURABAYA POST, 20 Sep 84) .....	34
Muhammadiyah Muslim Students	
NU Rival Factions Achieve Reconciliation in Surabaya (Various sources, 12, 14 Sep 84) .....	38
'Dramatic' Meeting Idham Chalid's Precondition	
NU Secretary General's Statement NU Parliamentarians Hail Reconciliation President Expresses Happiness	
Corn Again Imported This Year (KOMPAS, 13 Sep 84) .....	47
Biographic Information on Indonesian Personalities	48
Briefs Oil Exploration Drop Denied	51



## KAMPUCHEA

Commentaries Criticize KPNLF Leadership, Note DK Faults (MOUL KHMER, Sep 84) .....	52
Past Abuses Cited, by Sim Var Sihanouk's Leadership Faulted, by Sim Var Criticism of Coalition, by Sok Vannak	
PRK Health Minister Visit to France Noted (LE MONDE, 13 Oct 84) .....	57
Problems of Malnutrition, Lack of Medicine Continue (Erhard Haubold; FRANKFURTER ALLGEMEINE ZEITUNG, 4 Sep 84)	59

## LAOS

Economic Conditions, Black Market on Border Discussed (LAK THAI, 6 Sep 84) .....	61
Police Major Defects (DAILY NEWS, 2 Sep 84) .....	65

## MALAYSIA

Malacca Bans Chinese-Language Publications by Chinese Schools (SIN CHEW JIT POH MALAYSIA, various dates; KIN KWOK DAILY NEWS, 23 Sep 84) .....	66
Publications Banned Various Reactions to Ban Kin Kwok's Comment Sin Chew's Comment, Editorial Deputy Education Minister To Investigate	
Holding Company's Successful Fund-Raising Drive Lauded (KIN KWOK DAILY NEWS, 22 Sep 84) .....	72
Lim Kit Siang Urges Japan To Abandon Protectionism (SIN CHEW JIT POH MALAYSIA, 21 Sep 84) .....	74
Briefs	
New Natural Gas Find	75
Asia's Role in World Trade	75
Army Reserve Corps To Expand	75
Report on Bank Loan Affair	76

## NEW ZEALAND

Labor Government Has 'Fewer Hangups' on Intervention (THE PRESS, 28 Sep 84) .....	77
--	----

French See Lange as Independence Mediator (THE EVENING POST, 28 Sep 84) .....	78
--	----

## PHILIPPINES

Cagayan de Oro, Other Provincial NPA Encounters Reported (PHILIPPINES DAILY EXPRESS, 15 Oct 84) .....	79
Isabela Governor Reports 'Disturbing' Social Action Seminars (Antenor B. Parazo; BULLETIN TODAY, 21 Oct 84) .....	81
Multinationals Say Boi Hindrance to Investment (Arleen C. Chipongian; PHILIPPINES DAILY EXPRESS, 15 Oct 84) .....	82
Foreign Exchange Decontrol Prompts Daily Dollar Trading (PHILIPPINES DAILY EXPRESS, 15 Oct 84) .....	84
Batasan Bills Seek New Region in Cordilleras (I. S. Chammag; BULLETIN TODAY, 16 Oct 84) .....	86
Increased Sales Tax Collection Efforts Linked to IMF (BULLETIN TODAY, 15 Oct 84) .....	87
Government To Sustain Import Restraint Policy (Rene Alviar; BULLETIN TODAY, 15 Oct 84) .....	89
BIR Tightens Tax Campaign (Jun Ramirez; BULLETIN TODAY, 15 Oct 84) .....	91
Abra Governor Takes Up Tribal Cause Against Industrialization (ANG PAHAYAGANG MALAYA, 15 Oct 84) .....	93
Columnist Analyzes Remarks of Three Cabinet 'Mavericks' (Armando J. Malaya; ANG PAHAYAGANG MALAYA, 20 Oct 84) ....	94
VERITAS Reports Marcos-Manotoc 'Media Takeover' (M. Theresa R. Martelino; VERITAS, 21 Oct 84) .....	95
MALAYA Reports on Rise of Peasant Movements (ANG PAHAYAGANG MALAYA SUNDAY, 21 Oct 84) .....	97
Movements Grow Nationwide, by Joel C. Paredes Luzon Farmers Organize, by Noel Bartolome AMGL Leader Profiled, by J. C. Paredes	
Reportage on 19 October Namfrel Support Rally (BULLETIN TODAY, 20 Oct 84; PHILIPPINES DAILY EXPRESS, 20 Oct 84) .....	106
Multisectoral Representation, by Deede M. Siytangco Bishop Fortich Reads Sin Message	

Collantes Explains Role of KBL 'Group of 29' Assemblymen (Margot J. Bateria; BULLETIN TODAY PANORAMA, 21 Oct 84)	109
General Ver Replies on AFP Deficiencies 20 October (Apolonio Batalla; BULLETIN TODAY, 20 Oct 84)	114
Zamboanga, Davao del Sur Rebel Actions Reported (BULLETIN TODAY, 20 Oct 84)	116
Davao Daily Defines Its Editorial Position (Tony Vn. Figueroa; PEOPLE'S DAILY FORUM, 13 Oct 84)	118
RUC XII 'Love Campaign' Success Reported (PEOPLE'S DAILY FORUM, 13 Oct 84)	120
Columnist on Biazon, Tan-Gatue, Marxism (Chuck Villamor; THE MINDANAO MIRROR-BULLETIN, 15- 21 Oct 84)	121
Davao Paper Praises Virata Negotiations With IMF (H. C. Molina; THE MINDANAO MIRROR-BULLETIN, 15-21 Oct 84)	123
Collantes Assails Sugar Monopoly (BULLETIN TODAY, 21 Oct 84)	125
Farmers Groups Campaign Against 'Onerous' Agriculture Programs (Joel C. Paredes, Noel Bartolome; ANG PAHAYAGANG MALAYA, 15 Oct 84)	127
Balweg's Brother Eludes Abra PC (Larry Sipin, Orly Guirao; ANG PAHAYAGANG MALAYA, 15 Oct 84)	130
Squatters Picket Cardinal's Residence Over Ejection (PHILIPPINES DAILY EXPRESS, 21 Oct 84)	132
Briefs NAJFD Resolution	133

#### THAILAND

Editorial on Control of 'Informal' Finance Markets (SIAM RAT SAPPADA WICHAN, 9 Sep 84)	134
Further Reportage on KPNLF Crimes Along Border (THAI RAT, 1 Sep 84; BAN MUANG, 31 Aug, 12 Sep 84)	136
Extortion Cases	
Troops in Uniform	
Gang Active for a Year	

Possible Successors to Athit as RTA CINC Noted (MATICHON SUT SAPDA, 16 Sep 84) .....	140
Commentary on ASEAN Nuclear Free Zone (BAN MUANG, 15 Sep 84) .....	147
Columnist on New Zealand Nuclear Weapons Stand (Jupitor; THAI RAT, 19 Sep 84) .....	149
Editorial: Political Detentions Said To Hurt Prestige (THAI RAT, 18 Sep 84) .....	150
Nawaphon, Police Said To Cooperate in Extortion (THAI RAT, 21 Sep 84) .....	152
1st Kings Guard Division Commander Profiled (THAI RAT, 7 Sep 84) .....	155
2nd Army Commander Profiled (THAI RAT, 6 Sep 84) .....	157
2nd Army Deputy Commander Profiled (MATICHON SUT SAPADA, 16 Sep 84) .....	159
2nd Division Commander Profiled (THAI RAT, 7 Sep 84).....	161
Columnist Views Reagan Stance on Arms Control (THAI RAT, 27 Sep 84).....	162
Yuathida Suratwadi Discusses Family Life, Child Talks (MAHARAT, 5 Apr, 3-9 May 84) .....	163
Conversation With Yuathida Suratwadi, Yuathida Suratwadi Interview Conversation With Child	
Special Forces Deputy Commander Profiled (THAI RAT, 6 Sep 84) .....	170
Use of Monarchy as Excuse for Coups, Killings Discussed (Seri Noibuathip; MATUPHUM, 8 Sep 84) .....	171
Phra Mongkut Klao Hospital Chief Profiled (MATICHON SUT SAPADA, 16 Sep 84) .....	174
Briefs Thais in Refugee Flow	176

## VIETNAM

### MILITARY AFFAIRS AND PUBLIC SECURITY

Life of Espionage Revealed at Trial of Chinese Spy (Phong Vien; TUAN TIN TUC, 23 Jun 84) .....	177
Municipal Directive Outlines Commercial Show Regulations (SAIGON GIAI PHONG, 12 Sep 84) .....	181
Readers Criticize Coffee Shop Music, Dishonest Merchants (SAIGON GIAI PHONG, 25 Aug 84) .....	183
Port Police Arrest Smugglers, Recover Goods (SAIGON GIAI PHONG, 12 Sep 84) .....	185
Private Operators Sell State Construction Materials (SAIGON GIAI PHONG, 12 Sep 84) .....	186
Economic Police Arrest Drug Smugglers, Counterfeiters (SAIGON GIAI PHONG, 13 Sep 84) .....	187
Ho Chi Minh City Combats Sale of Fraudulent Goods, Drugs (SAIGON GIAI PHONG, 5 Sep 84) .....	188
Illegal Pork Sales Condemned (SAIGON GIAI PHONG, 28 Aug 84) .....	190
Motorbike Thieves Apprehended Immediately (Nguyen Thanh; SAIGON GIAI PHONG, 14 Sep 84) .....	191

### INTERNATIONAL RELATIONS, TRADE AND AID

Briefs	
Provincial Cooperation With Kampuchea	192
Panamanian Leader Greeted	192
Communist Party Congress Greeted	192
GDR, FRG Medical Aid	193

### PARTY ACTIVITIES AND GOVERNMENT

Rise of New Bourgeoisie in Vietnam Discussed (TAP CHI THONG TIN LY LUAN, Aug 83) .....	194
---	-----

### ECONOMIC PLANNING, TRADE AND FINANCE

Importance of Combining Economy, National Defense Emphasized (TAP CHI KE HOACH, Dec 83) .....	204
Figures on Ho Chi Minh City Published (TUAN TIN TUC, 23 Jun 84) .....	211

An Giang Province Changes Economic Management, Solidifies Commercial Network (NHAN DAN, 6 Sep 84) .....	213
Briefs	
Delta District Expands Exports .....	215
AGRICULTURE	
Editorial Discusses Importance of Winter-Season Crop Production (NHAN DAN, 8 Sep 84) .....	216
Provinces Urged To Protect 10th-Month Rice Crop (NHAN DAN, 11 Sep 84) .....	219
Southern Provinces Urged To Mobilize, Deliver Summer-Autumn Grain (NHAN DAN, 6 Sep 84) .....	221
Population Growth Dims Outlook for Grain Surplus (Nguyen Van Trung; TUAN TIN TUC, 23 Jun 84) .....	223
HEALTH, EDUCATION AND WELFARE	
CHINH NGHIA Announces That It Will Cease Publication (CHINH NGHIA, 25 Mar 84) .....	226

LEFT WINS IN AMFSU ELECTIONS 25 SEP 84

Sydney THE AUSTRALIAN in English 26 Sep 84 p 3

[Article by Paul Molloy]

[Text]

THE left-wing leadership of one of Australia's largest and most influential unions has dramatically reasserted its dominance after routing right-wing challengers in key elections yesterday.

The national secretary of the Amalgamated Metals, Foundry and Shipwrights Union, Mr Jack Kidd, defeated the leader of the AMFSU Reform Group, Mr Rod Kelly, by more than 7000 votes.

Mr Kidd's victory with 60.9 per cent of the vote was a dramatic reversal of a poll for national organiser seven months ago which saw the incumbent leadership suffer its first major ballot loss to the Reform Group and left it with only 47.2 per cent of the vote.

Preliminary figures last night also showed that the AMFSU had polled similarly in ballots for two positions of national organiser.

Mr Kidd's victory over Mr Kelly by 21,075 votes to 13,553 casts severe doubts on the future viability of the Reform Group because after four years of bitter and often litigious campaigning against the AMFSU leadership the Reform Group has managed only to win the positions of Tasmanian secretary and national organiser.

Even in Tasmania, which was regarded by the Reform Group as a stronghold, Mr Kelly managed only slightly more than 40 per cent of the vote and lost by 595 to 415.

Mr Kelly, the national leader and driving force behind the group, has now lost four elec-

tions since 1980 when Mr Kidd first defeated him by more than 3000 votes. He also lost narrowly in polls for the positions of Victorian secretary and national president before yesterday's rout.

His loss occurred despite his appearance in campaign photographs with both the Prime Minister, Mr Hawke, and the Polish Solidarity leader, Mr Lech Walesa. The Reform Group tactic of releasing photographs of Mr Hawke with its representatives was regarded as a major factor in its ballot victory earlier this year.

Mr Kidd said last night that he was "extremely pleased for the union's position" and he praised the support of union organisers. "The result is a victory for the organisers in the most democratic union in Australia."

He attributed the AMFSU's ability to campaign "on the job" as the major cause of the victory because "Kelly's group has no active contact with the membership and the shop stewards".

A disappointed Mr Kelly said his group had been "out-gunned".

"We couldn't compete with the amount of money and propaganda used by our opponents."

But he dismissed speculation about the future of the Reform Group and himself. "Let me give you one message: we will be back in the next election and I am confident the membership won't be fooled twice."



# SANTAMARIA DEFENDS ALLIANCE WITH U.S.

Melbourne THE AGE in English 27 Sep 84 p 13

[Text] Last week, Kenneth Davidson argued that the ANZUS Treaty was not relevant to the defence of Australia. Today, B. A. SANTAMARIA puts a counter view.

**O**N 7 December 1941, without the slightest warning, the Japanese struck at and almost destroyed the US Pacific Fleet and Air Force at Pearl Harbor.

On 15 February, 1942, they captured Singapore and the entire British expeditionary force, including Australia's Eighth Division. On 19 February, they bombed Darwin to the ground.

The threat of an invasion of Australia was not removed until the US naval victories at the Coral Sea (8 May 1942) and Midway (4 June 1942).

As late as 31 August 1941, only three months before Pearl Harbor, Churchill sent a personal message to Australian Prime Minister Fadden, telling him that the Japanese were now "overawed" by the odds against them.

"They were plunged," wrote Churchill, "in deep anxiety and hesitation . . . We may regard the situation not only as more favorable, but as less tense."

It is precedents like this, which recur throughout recorded history, which dissuade me from accepting the comforting illusions contained in phrases like, "no foreseeable danger in 15 years", "who on Earth is going to attack us?" or from discussing serious strategic problems in terms of whether this or that weapon will render a confi-

nent the size of Australia invulnerable; or whether the protection of sea communications describes the ambit of our strategic interests.

Critical to serious discussions of strategic contingencies is the shape and pattern of military-political supremacy established over a region long before the actual question of attack arises, a process which, not infrequently, takes more than 20 years. Whose "begemony" will it be? It will be someone's.

The factors which determined the shape of Japanese actions in the Pacific in December 1941 originated 20 years previously, in 1921, with the termination by Britain, (under US pressure) of the Anglo-Japanese Naval Agreement which it had signed in 1902, and which had kept Japan a partner in the Pacific during the first world war.

Japan, deeply hurt by being treated as a leper, rather than a part of the Western partnership, chose its own course.

Rightly or wrongly, this led to the Manchurian adventure, the attack on China, the formulation of the concept of the Greater East Asia Co-prosperity sphere, the US oil embargo, the Japanese attack.

Australia would hardly have figured as an incident in the Japanese mind. Nevertheless, in the total transformation of power in the Pacific which became inevitable after the US imposed oil sanctions, Australia was automatically



cally involved in military operations, which came close to invasion and loss of independence.

Just as new patterns of power began to develop in the Pacific after the termination of the Anglo-Japanese Naval Agreement, new patterns of power are beginning to emerge in the Pacific today.

It is these broad strategic changes which matter, not whether or not we have "Harpoon" missiles, or submarines to defend our trade routes with Europe — important though they are.

Tomorrow, it may be Japan or China or even Indonesia. Today, the force challenging for Pacific supremacy is the Soviet Union.

Ideology may or may not have anything to do with it. With the Soviet Union, as with Japan, or China, other potential "hegemonial" powers, it is the size and deployment of forces which matter in evaluating practical possibilities.

The Japanese (not the US) White Paper on defence, issued a fortnight ago, points out that the Soviet Union has deployed 825 naval ships, 2200 aircraft and 370,000 troops in the Pacific.

Its naval tonnage in Asia has been increased at a rapid rate to 1.7 million tonnes.

The Soviet deployment of both nuclear and conventional weapons in the Far East amounts to one third of the level of the Soviet Union's total military machine.

Clearly neither China nor Japan can contest this rapidly developing power. Only the US can.

To do this, however, it must have bases, harbors, installations. Without it, the constant increase in Soviet forces makes Soviet hegemony in the Western Pacific inevitable.

That process which, by a mixture of diplomacy and military pressure, aims first to exclude the US from the West and South Pacific, is meant to influence the structures of power in East and South-East Asia.

To imply that the Soviet Union has installed one third of its total military machine in the Pacific and East Asia without any particular strategic plan to project power in accordance with its interests, defensive or offensive, is to treat the Soviet leadership as if they are idiots.

The Soviet military build-up will inevitably create other contingencies in the event of a weakening of US power: whether, as Lee Kuan Yee has forecast, Japan ultimately goes nuclear, or whether a full Sino-Japanese alliance develops to counter it.

Although to look ahead to inherent contingencies, out of today's deployments is ridiculed as alarmism, it is elementary common sense.

Since the problem with which we are dealing covers the whole of the Pacific, with Australia a mere incident in a far wider pattern of events, it is the entire Left-wing "agenda" for the region, which requires examination.

All cards should be placed on the table, face-up, not merely one or two, such as Australia's participation in ANZUS or the continued existence of US installations in this country.

The Left-wing "agenda" comprises:

- The dissolution of Australia's American alliance;
- The consequent elimination of US facilities in Australia, including not only the nuclear installations on Australian soil, but access by US nuclear ships to Australian ports;
- A nuclear-free Pacific, which if realised in practice and not merely in slogans, might exclude US and Soviet nuclear shipping from the seas, ports and harbors of the Pacific, but would not affect Soviet nuclear missiles on the Asian mainland whether in Kamchatka or South Vietnam; and
- The elimination of pro-American Governments in the Philippines, to get rid of US installations like Clark Field and Subic Bay, without which it would be all but impossible for the US Navy to operate in force in the Persian Gulf, to cover the oilfields of the Middle East.

The realisation of this Left-wing "agenda" would send US naval and air power back to Pearl Harbor and, in today's dispensation of naval power, substitute Soviet for US hegemony in the south-west Pacific.

It would be the equivalent of the "Finlandisation" of Western Europe.

General Jan Sejna who, before

his defection, was secretary to the Military Committee of the Czech Communist Party (the party's most important policy-making body in military and intelligence affairs), recently wrote:

"In 1967 Boris Ponomarev (the Soviet Politburo director of foreign communist parties), told us: 'Comrades, I can understand your view of Australia as a country of little importance to your concerns; I must tell you that you are wrong in this and that you have an important part to play in our operations against this country. You must understand that if we wish to control Asia we must first control Australia . . .'

"Like Europe," continued Sejna, "Australia will advance to socialism and neutralism step by step, and it will only be in the final stage that a revolutionary Government will be established . . .

"In this process, the strategic plan aims to exploit the internal forces in Australia by infiltration and deception rather than by a major military threat from outside.

"Because of the small size of the Communist Party of Australia, the plan called first for the exploitation of the extreme Left of the Australian Labor Party, infiltration of the younger working class in the industrial areas, and of greatest importance, subversion and control of the trade unions."

That is General Sejna's testimony. I am unable to evaluate its authenticity.

What I do know is that the neutralisation of New Zealand is what has just been achieved through the dominance of the extreme Left in the New Zealand Labor Party.

## HAYDEN RESISTS U.S. EFFORTS IN ANZUS SOLUTION

### No 'Errand Boy for U.S.'

Sydney THE SYDNEY MORNING HERALD in English 26 Sep 84 p 1

[Article by Jenni Hewett]

[Text]

NEW YORK, Tuesday: The United States is threatening New Zealand with economic retaliation if it sticks to its policy of opposing visits by nuclear ships and is expecting Australia's support on the issue.

But the Foreign Minister, Mr Hayden, has been extremely reluctant to become involved and told *The Sydney Morning Herald* that Australia would not be "an errand boy for the US".

The US retaliation would involve cutting vital New Zealand export markets for lamb and dairy products in the US.

The threats, made privately, are part of a quiet but growing American fury with New Zealand's intransigence.

The dispute is intensifying, with meetings between Mr Hayden, the New Zealand Prime Minister, Mr Lange, and the US Secretary of State, Mr Shultz. All three are in New York for the opening of the United Nations General Assembly.

Mr Lange and Mr Shultz have already met to discuss NZ's decision to ban American warships.

According to a US State Department spokesman, Mr John Hughes, the issue was not resolved and the two nations agreed to continue their discussions later in the year, probably in December.

The American decision to get

tough - and the increasing rancour of the argument in both New Zealand and the US - has put enormous pressure on the Australian Government.

The US wants strong Australian support for its position, which it does not believe it is getting.

Mr Shultz is expected to put pressure on Mr Hayden to take a stronger stance, publicly opposing the New Zealand position and trying to convince Wellington to soften its attitude.

But Mr Hayden said: "That would be the wrong complexion for any productive developments to take place in the present circumstances."

In a speech to the Foreign Policy Association in New York yesterday, Mr Lange signalled his determination not to change course.

"We want to have nothing to do with nuclear weapons," he said. "I don't believe any apology need be made for that."

The initial American optimism that New Zealand would alter its position once confronted with the realities of government has been shattered. Mr Shultz may attempt to use his friendship with the Prime Minister, Mr Hawke, to skirt Mr Hayden, whom US officials regard with great suspicion.

This would put the Prime Minister in an extremely difficult position and focus the divisions in Cabinet.

At the same time, obvious American retaliation against New Zealand could create a wave of Australian sympathy for its underdog neighbour and reopen questions within the Labor Party about the Australian Government's attitude.

This would be even more complicated by a possible renegotiation of the alliance.

The details of the ANZUS treaty make it impossible to kick a member out. The US would instead be likely to want to negotiate a bilateral treaty with Australia that would effectively make ANZUS redundant.

Mr Hayden will be urging caution on both the US and New Zealand this week.

He said that he would be exploring mutual national interests with New Zealand.

But the situation appears to be steadily deteriorating, especially as the New Zealand Government policy is so popular in the electorate and the party.

Mr Lange devoted most of his speech to the importance of trade to New Zealand and the need to

address the economic problems facing the country.

He said the US alliance was a "factor in our assessment of our interests".

"We are not about to turn our backs on long-standing friendships because of our nuclear policies," he said.

"Our policies are not anti-ally, they are not anti-alliances, they are anti-nuclear."

The US is unlikely to move before the end of the year because of the election and a desire to demonstrate their willingness to give New Zealand time.

Mr Lange is meeting the Soviet Foreign Minister, Mr Gromyko, this week — an unusual appointment for the Soviet minister's crowded schedule.

Mr Hayden was refused an appointment.

In Canberra, the Australian Democrat leader, Senator Chipp, has called for a conscience vote on a Democrat bill which, if passed, would ban nuclear-powered ships from Australian ports.

#### Warns Against NZ Sanctions

Melbourne THE AGE in English 29 Sep 84 p 7

[Article by Peter Cole-Adams]

[Text]

NEW YORK, 29 Sept. — The Foreign Affairs Minister, Mr Hayden, has told the United States that there might be "difficulties" if the US imposes economic sanctions against New Zealand.

Mr Hayden spent almost all of a half-hour meeting yesterday with the US Secretary of State, Mr Shultz, discussing the situation created by the New Zealand Government's refusal to allow nuclear-powered or nuclear-armed warships access to New Zealand ports.

"I guess the simplest thing to say is that there is a great investment in hope — hope that the thing is going to be sorted out," Mr Hayden told reporters. It was as close to optimism as he could come last night.

"Mr Shultz expressed the hope that sufficient time would provide

a resolution for the crisis. Beyond that, there is nothing concrete which was discussed, should time fail to provide the resolution."

Asked if the possibility of US economic sanctions against New Zealand had been raised, Mr Hayden said that he had mentioned to Mr Shultz, in passing, some newspaper reports speculating on such sanctions.

"I mentioned that I saw difficulties if that sort of development were to take place," he said.

He said Mr Shultz had not responded directly, but had implied that the US was rivetting its attention on the period from now until the New Year, and on the hope that time would provide a resolution to the problem.

"If they (the Americans) have thought beyond that, they are not prepared to discuss their thoughts out aloud," Mr Hayden said. "I think they are genuinely hoping that the thing will be resolved, as

we are."

Mr Hayden said there were no visits planned by US warships to New Zealand before the end of this year. He also repeated that Australia would not be carrying out "errand boy services for anyone".

Mr Hayden is refusing to discuss what will happen if the problem is not resolved.

However, it is clear that both the Americans and New Zealanders are facing questions that go well beyond the possible break-up of the ANZUS treaty.

Even if the New Zealand Prime Minister, Mr Lange, is right in saying that the Americans would not impose formal sanctions against a friendly country — and he probably is — realism suggests that if New Zealand scuttled ANZUS it would receive a considerably less sympathetic hearing in future trade discussions than it has in the past.

On the US side, the problem is not so much the marginal strategic importance of New Zealand, which in US eyes is a long way from anywhere, but the question of precedent.

If the Kiwis get their way on nuclear ships — or, alternatively, if they quit the alliance — a number of other countries of much greater strategic significance might be tempted to try the same trick.

Among those in which anti-nuclear sentiment is currently very strong are Greece, the Netherlands and even Japan.

Both Washington and Wellington, in short, have very good reasons to be seeking a compromise.

# HAYDEN INTERVIEW: COMING TO TERMS WITH POWER

Sydney THE SYDNEY MORNING HERALD in English 24 Sep 84 p 9

[Interview by Jenni Hewett]

[Text]

**B**ILL HAYDEN is still full of sharp edges, ready to cut; his humour still savagely eager to mock pretension, including his own. But the mood is lighter now.

His political survival has given him an ease of power that he never possessed as ALP leader. The power of a defeat that brings its own quixotic victory precisely because there is so little left to lose.

He will never be a man totally at ease with himself or others. But as Australia's Foreign Minister, he is more relaxed than he has been in years, perhaps ever.

"No one can do me any damage now," he says. "Oh, perhaps that sounds too paranoid. But I was always apprehensive before. I was walking on eggshells, worried about keeping the party together, worried about getting out too far in front, worried about doing the party harm, my own position harm ...

"After you've done that task, you're relatively relaxed about just about anything short of going through a grinder."

He allows himself a grin that has in it the confusing mixture of hurt that will never be forgotten, yet can never be remembered.

"The fires of hell are enough to case-harden anyone's soul," he says. And laughs wryly.

Not quite. His face flickers frequently with the instinctive suspicion of others that guided his career from his days as a young Queensland cop. Other people count sheep to fall asleep. Bill Hayden still thinks of barbs he can hurl in Parliament, as Michael Hodgman and Ian Sinclair can testify.

But any bitterness towards Hawke

and the events of 1983 is usually well covered by the sense of discipline on which he has always prided himself.

"I was explaining to one of our daughters who is currently taking exams. What you learn in life is that you have an increasing ratio of resistance to strain," he says. "It comes from more experience ... I've found it's just extraordinary how you can go on."

Going on, of course, was hardest of all during that long hard slug as an ALP leader who finally had to deny himself the prize of an election he believed he could win.

But he and politics are like the old married couple who argue furiously yet cannot consider divorce because they wouldn't know what to do without one another. At 51, he has been in Parliament 23 years, longer than anyone else except Tom Uren. He looks forward, he says, to "at least another productive decade".

Those who would like to see him run for Deputy after the election will still find an elusive figure.

"I haven't given any thought to what will happen beyond the forthcoming election," he says with the caution of a man accustomed to political finesse. But I would not encourage anyone to start speculating on such a possibility."

It's a deliberate delicacy. He's not running. But who's to say he couldn't if he felt his position threatened by the Right? Or if the 'possibility' was thought to be a desirable way of heading Paul Keating off at the pass?

Unlikely - but ... Bill Hayden may take himself for granted these days. No one else.

So, if not a run why not a slow, measured walk - just to keep them all, including Mr Hawke, just a little



uncertain of him.

After so long, it is Bill Hayden who can finally manoeuvre his way through the labyrinth of Labor Party politics with steady feet. It is others who are unsettled.

Not that he has given up fighting. It's just that the battles are different.

The struggle for leadership with Bob Hawke is over. But not the struggle for direction of the party. In this battle, public clashes are not the weapons. Nor is an obvious attempt to undermine Mr Hawke's position. Mr Hayden appears to have made the judgment that it would be counter-productive from both the party's point of view and his own.

In Central America, he amused himself vastly by toying with questions about why he would not directly condemn American policy in the region.

He is at pains to profess total support for his leader. The smile accompanying such declarations is only slightly turned up at one corner.

But Mr Hayden is nonetheless determined as Foreign Minister to lead Mr Hawke into a far more 'radical' foreign policy, particularly relative to the US.

His blunt speech at Geneva warning about the future of the US bases in Australia unless there was more progress on arms control made the differences obvious.

He backed off that precise language — but not the intent of his words.

"The Prime Minister was right. What I was speaking of was a hypothetical circumstance. But I also added that on the other hand, when we discuss prospects of nuclear conflict and policies for reacting to that we are dealing with hypothetical circumstances. When it ceases being hypothetical and becomes present tense, we're in a terminal state."

He knows it is wiser to speak obliquely. "I think our relations with the US are in remarkably good condition."

"Our ability to get on with them so well reflects Bob's inclination, interests and outlook and his close personal relationship with George Shultz."

The unspoken corollary reverberates. The Americans distrust Mr Hayden as he distrusts them. Australian foreign policy will be greatly influenced by that tension and how Mr Hayden can marshal supports and arguments. Quietly.

He is interested in defining a more

radical stance not just in foreign policy. Mr Hayden is determined that the new Centre-Left grouping of the Labor Party becomes a long-term pressure and counter to the Right.

"It's taken a while to crank the faction up. Fabian socialists are great talkers about ideas ... and they don't like to be taken for granted ... I'd reckon by the end of this year, we'll start seeing the product of some of these things."

It all reflects his confidence that he understands the party and can work effectively within it — in contrast to Mr Hawke's style of going around it. He wants substantive, not spectacular, victories.

And besides, he's having a bloody good time trying. "I look at the alternatives to politics and they seem pretty unchallenging," he says.

"... I enjoy what passes for the rapier-like cut and thrust of politics in Australia, though it's a bit more broadsword and battle axe at times, I must confess."

"They say when a man's enjoying his job, he's lucky. Not many get a chance to do it. I must say I've been enjoying myself in Parliament and politics and the ministry as much as I've ever enjoyed anything."

In that sense he is an aberration. Former party leaders are supposed to quietly fade away, graciously or ungraciously.

Mr Hayden has the temerity and the stamina to have cheerfully reincarnated himself. Bigger and better. And virtually untouchable. The halo of Labor Party martyrdom has always been an uneasy fit but it protects him still. And he is more comfortable with his new role.

"I suppose in many senses I've got myself sorted out pretty well," he says.

"When I was younger, I had to prove myself, to myself mainly. There was that business of taking an increasing ratio of strain ... I know my performance is okay. I know I'm adequate for the task. I could do it on my ear even if I sometimes get gravel rash ..."

"I'm satisfied with life. I'm not sure what we mean by happy. I think the popular definition of happy is probably someone who doesn't have many things to be concerned about. I have plenty of things to be concerned about but I'm satisfied, fulfilled by those concerns ..."

"I suppose the word I'm looking for is well-adjusted to the circumstances in which I'm operating."

In another politician, this modest

admission of contentment would scarcely be significant.

But it is such a contrast to the restless uncertainties that plagued the Hayden leadership, particularly towards its untidy end.

Mr Hayden has always approached life as a challenge to be learnt rather than liked. Even when he 'relaxes' looking at films or listening to classical music, it is a series of lessons in self-improvement.

It means a constant grasping for knowledge and advance that is admirable but that reflects a person whose faith in himself is always leavened by what he doesn't know or cannot achieve. In political terms, such gaps in confidence can feed upon themselves to create crises from within as well as without.

In late 1982 and early 1983, questions about himself, his friends, his enemies, his party and the election paralysed what became known as The Bunker — Mr Hayden's office.

Even now Mr Hayden is sensitive about the criticism of his style — particularly as the comparison is always made with Mr Hawke's.

"I was always bemused by the media psychoanalysis that self-doubts were a sign of inadequacy or insecurity," he says.

"I think any one who doesn't have self-doubts is in an unhealthy mental state and people who have to make decisions affecting others must approach crucial issues from the point of view of doubt."

"I think that is a healthy recognition that human frailty could lead you to being wrong."

"Again I've learnt to be more assertive and to use the first personal pronoun a little more — although I dislike it."

He also dislikes and distrusts shows of public emotion. Mr Hawke's tears are completely foreign, almost shocking, to him. Mr Hayden's red-rimmed eyes on the day he stepped down from the leadership were the closest he has come to breaking down in public.

He insists on that same distance for explaining political as well as purely personal issues.

During a tour of a refugee camp in San Salvador, Mr Hayden became irritated by persistent questioning about his emotional reaction.

"These things are always quite moving but it's not the sort of thing one likes to indulge oneself sentimentally and emotionally over in public," he snapped.

The discomfort with demonstrating

emotion and his personal reticence are linked to the lessons of his childhood. The father who used to warn him against the signs advertising 'Vote for Honest Joe Blow. The man you can trust'.

"Once you hear a politician blowing his own bags like that, button up your wallet and don't trust him," his father told young William. And William didn't trust and still doesn't. Still, he concedes, perhaps tastes change with generations.

"I was brought up to believe that people who had to talk about themselves had inadequacies. That if you were adequate for the task, then you didn't have to tell people."

"I've since learnt, however, that if you leave it to others to tell they don't always do you a good service, so I've become more assertive about it I suppose."

Beneath the teasing words is one of the more complex political survivals in a swordpoint dance with someone who is his mirror opposite in so many ways.

Mr Hayden demanded the foreign ministry as one of the 'rewards' for a sacrifice that he never believed he could or should make.

It is typical of his style that he deals with the memory of it by resorting to ironic innocence.

"Well, Bob and I had a little talk — when was it, February 3 I believe — about a number of interesting matters, some of which are indelibly chiselled on my soul," he says. "That happened to be one of them."

It was indeed one of the few significant ministries that would allow at least a little distance between himself and the new ruler. Mr Hawke could reign supreme inside the country but Hayden could forge another world outside it.

Foreign affairs, he says, always appealed because it was fascinating and different. "I look around the table in Cabinet and there aren't many alternatives I'd care for."

"I've worked in the economics area. I know I can do it. I understand it. I proved that to myself and, I believe, to others ..."

"I felt splendid in Social Security. But having explored the principles for several years before I did it, it was more a matter of getting these things operating. I think I pretty much exhausted all the novelty that was there."

"I've never lost my interest in economics but Paul Keating and John Dawkins have my eternal sympathy for that huge volume of very mundane



material that flows over their desks.

"In my department, there's a reasonable amount of mundane stuff but an awful lot of it is stimulating and challenging. It's ideas, not so much nuts and bolts.

"I think the most constructive and productive period is commencing from about this point," he says.

"You know, the only other thing I would really like to have done in my life is be a film director — making films about social and personal relationships but without being hectoring.

"Did you ever see that film *Mephisto*, set in the Weimar republic and detailing all the compromises this man made. It made me think so much of the compromises I've made in my life ... mmm."

He stops and sighs. But soon he's smiling again. Have another drink. Cheers.

CSO: 4200/124

## HAYDEN, MOCHTAR UNGA MEETING; SEABED TALKS PROSPECTS

Melbourne THE AGE in English 28 Sep 84 p 9

[Article by Peter Cole-Adams]

[Text]

**NEW YORK, 27 Sept.** — Australia and Indonesia are likely to resume negotiations on their off-shore seabed boundary before the end of the year.

The Foreign Affairs Minister, Mr Hayden, said yesterday that the Indonesian Foreign Minister, Dr Mochtar, had told him that he had hoped the talks could resume this month.

However, the Indonesians' key expert was absent overseas on technical work and this was likely to cause delay.

"But Dr Mochtar did say that they have a very keen wish and high expectation that we will be able to start sometime before the end of the year," Mr Hayden said.

Mr Hayden said that once the negotiations did begin, he thought they would be lengthy because of the complexity of the issues, the principles at stake, and the different approaches of the two sides. If they were to be successful, there would have to be some compromises.

"I feel a need to resolve this early — not that there is any sense of panic, but because the longer borders are left ill-defined or undefined, the more likely it is that misunderstandings and tensions could arise," he said. "The sooner we get this fixed the better".

Mr Hayden said that during his meeting with Dr Mochtar yesterday — both men are in New York for the current United Nations General Assembly session — they also discussed his recent visit to Portugal.

He said he had made the visit because Labor Party policy required him to consult wherever it was appropriate to try to get some movement on the situation in East Timor.

## Sensitive

"I'm pleased to have confirmed that there is communication taking place between representatives of the Portuguese and Indonesian Governments," he said. "It's fairly sensitive, and not a matter I can discuss."

In another meeting, Mr Son Sann, one of the leaders of the anti-communist coalition on the Kampuchean border, appealed to Mr Hayden for military aid for the coalition's forces. "I pointed out that we don't provide military aid in such circumstances," Mr Hayden said. "We don't recognise the coalition forces. We don't recognise the Heng Samrin Government."

Mr Hayden also said, after a meeting with the New Zealand Prime Minister, Mr Lange, that he hoped that, given time, the ANZUS dispute between New Zealand and the United States could be resolved.

But time is part of the problem. Mr Lange seems determined to bring the issue to a head.

Mr Hayden and Mr Lange met to discuss the crisis. Both told reporters later there was no question of Australia's acting as a go-between for the US and New Zealand.

"We don't carry messages from the Americans," said Mr Hayden. "Nor do we carry messages for the New Zealanders." He said he would be restating this point to the US Secretary of State, Mr Shultz when they meet today.

Mr Hayden was asked if ANZUS was dead. "I shouldn't have thought so," he said. "I would not be delivering last rites over it or heaving the last sod on the casket at this stage."

He said Mr Lange had told him New Zealand was "deeply committed to the ANZUS Treaty and wants to remain in it and intends to remain in it".

"But they are equally committed to the prohibition of port facility use by nuclear-armed and nuclear-powered ships," he added. "Mr Lange said he wanted to continue working with the US to try to find a way around this problem."

Mr Hayden said he had outlined Australia's position on the nuclear issue to Mr Lange. "We believe a central commitment, as far as we are concerned, is that American naval vessels, nuclear-powered and nuclear-armed, should be able to use our port facilities."

Did the wording of the treaty leave room for an interpretation that would allow New Zealand to refuse to allow such US ships access? he was asked.

"I think that is the whole nub of the issue at stake at the moment — sorting that out."

Did Mr Hayden believe a way out could be found? "I rather hope it could be, but this is rather early in the piece. There is still quite a bit of time available."

Told that Mr Lange had said he believed the issue had to be resolved before the next ANZUS Ministerial Council meeting in July, Mr Hayden again cautioned against rush.

"We feel New Zealand ought to be given the advantage of time to work out this issue with the United States. That's what it's declared it wants to do."

CSO: 4200/130

## FOREIGN EXCHANGE FLUCTUATIONS CAUSE BUSINESS LOSSES

Sydney THE SYDNEY MORNING HERALD in English 25 Sep 84 p 19

[Article by Malcolm Wilson]

[Text] One would never accuse such leading companies as the big media group News Corporation, and the big mining group CRA, as including among their main activities international currency speculation.

But the announcement last week by News Corporation that it had lost no less than \$60 million during the 1983-84 year as a result of what it described as "a serious misjudgement of the international money markets" again underlines just how important it is for companies who have significant international operations to keep a tight watch on their currency exposure.

This \$60 million currency loss--which was a realised loss incurred during the year--was taken as an extraordinary item below the line, and was almost two-thirds of the company's net profit after tax of \$95.9 million.

And last night's turbulent trading in the London foreign exchange market further emphasises the need for corporate treasurers to keep a continuing and close eye on foreign exchange movements.

If it is any consolation to Mr Rupert Murdoch, Sir Roderick Carnegie's CRA last year also charged off foreign exchange losses totalling \$60 million in earning its net profit of \$71.6 million.

The size of these figures indicates that there is still plenty to be learned in the area of managing one's overseas currency risk exposure. These days, with freely floating exchange rates, it is quite possible to see a movement of 10 per cent in the value of one currency against another one over a period of a year.

(As it happened, the US dollar ended the 1983-84 financial year at exactly the same value against the Australian dollar as it had begun it. By contrast, the UK pound weakened against the Australian dollar by more than 12 per cent, indicating that the weakness of the pound may have been the main cause of News Corporation's problems.)

When a company moves in international markets these days, it has to decide just how it will manage its foreign currency exposure. As far as News Corporation is concerned, the lesson was an expensive one and it won't happen again, because it "has now taken steps to eliminate as far as possible this exposure to currency fluctuations both by achieving a better balance between currencies in which we borrow, and consistent with that, making maximum reductions in the size and maturity of forward purchases".

It is fairly easy to see how a company runs into problems in large-scale international operations such as those of News and CRA. If you are an Australian-based company and increase your Australian borrowings to buy some assets in the UK, then you have what is known as an "unmatched" position on your foreign currency exposure. You have increased your UK assets without increasing your UK liabilities.

Furthermore, you may have bought the UK assets by borrowing not Australian dollars but, say, US dollars. And in this situation you are now doubly unmatched, to the extent that you have assets denominated in sterling but have liabilities denominated in US dollars.

In the United States, the tremendous impact that foreign currency exposures can have on a company's overall trading results was brought home to the corporate sector when the accounting profession in the US introduced what was known as "FAS 8".

Under this accounting requirement, a company was required in each quarterly report to translate its overseas assets and liabilities into US dollars at the exchange rate prevailing at the end of the quarter, and to take in its foreign currency profit or loss as an above the line item when determining its profit for the quarter.

This accounting requirement demonstrated in no uncertain manner to companies that they would have to closely examine their currency positions to make sure that they were adequately covered.

In Australia too, it appears that companies will soon also have to take a much closer look at the precise nature of their foreign exchange exposures.

The Institute of Chartered Accountants has issued an exposure draft on the accounting of foreign currency transactions. It recommends that on long-term items the amount should be translated into Australian dollars at the end of the financial year. Any gain or loss should go into a fluctuation reserve account and this amount should be amortised over the remaining life of the asset or liability.

Thus, if an Australian company has borrowed some US dollars for five years and at the end of the year when the loan is translated into Australian dollars there is a loss of say \$500,000, this amount has to be amortised over the remaining life of the loan for a loss of about \$100,000 a year.

On short-term overseas positions, the exposure draft says that profit or loss will have to be taken directly into the profit and loss account.

## EDITORIAL HITS ANTIBUSINESS ATTITUDES

Brisbane THE COURIER-MAIL in English 28 Sep 84 p 4

[Editorial]

[Text] **T**HE business of America, declared the American President Calvin Coolidge, is business. Few Australian politicians, or businessmen for that matter, would be prepared to make that kind of uncompromising statement without blushing embarrassment.

Australian business seems to shelter behind a kind of community diffidence where profit is a questionable motive, ambition a matter for apology and government the universal safety net.

When in trouble, holler for the protection of a subsidy, tariff protection or, when all else fails, a devaluation to make the cost of imports more expensive. Is it any wonder that our businessmen are so rarely heroes in their own land?

A few creep through the barriers of community indifference. Ben Lexcen, designer of the famed Australia II is one hero; John Bertrand, who combined skilful sailing with a prosperous and adventurous sail-making business, is another. But what about Alan Bond, who put his corporate money where his sporting mouth was? Is he a sporting hero who happens to be a businessman or a businessman whose drive made the America's Cup challenge possible?

The Queensland Minister for Industry, Small Business and Technology, Mr Ahern, is right. We love our sportsmen and our crusaders — what could be more of a crusade than doing battle with the New York Yacht Club? And we will take Mr Ahern's word that we love some of our poli-

ticians.

**Bankers as heroes?**

In fact, the businessman is an unlikely hero in this land of improbable gods. The people who have virtually deified Ned Kelly are unlikely to elevate to hero status the bankers he relieved of their cash. Yet this attitude must change.

We must realise that Australia no longer rides on a sheep's back, or in a coal or iron ore train. The world no longer — if indeed, it ever did — owes us a living. The future of this country rests not with the lucky prospectors but with the small, industrious businessmen who, by hard work, are prepared to turn small businesses into big businesses.

For this reason, The Courier-Mail was proud to join the other sponsors of the inaugural Queensland Businessman of the Year Award. We believe that, as a community newspaper, such support is part of our responsibility to the community we serve and which, in turn, supports us.

All of the finalists have been commercial successes in tough times. But we are proud especially of Mr Ross Palmer, the youthful managing director of Palmer Tube Mills (Australia) Pty Ltd, the first Queensland Businessman of the Year, who has managed remarkable successes in an industry beset by difficulties. At 35, Mr Palmer has demonstrated that youth and enthusiasm are no barrier to commercial success. And we are grateful to Mr Ahern for his remarks and his support.

OPPOSITION SENATOR CLAIMS U.S. BASE IN NUCLEAR TARGET

Perth THE WEST AUSTRALIAN in English 28 Sep 84 p 23

[Text]

**THE public is being deceived by politicians of major parties over the presence of U.S. bases in Australia, says the leader of the Australian Democrats, Senator Chipp.**

Senator Chipp was reacting to criticism he drew from the MLA for Gascoyne, Mr Laurance, after speaking last week about the U.S. base at North-West Cape.

Yesterday Senator Chipp said: "I appreciate that the residents of Exmouth would be disturbed by the fact that they are high priority nuclear targets — they should be.

"What I do not appreciate is the way Mr Laurance is prepared to attack someone in a desperate attempt to continue to conceal from his electorate the very disturbing facts I raised.

"The U.S. base at North-West Cape is considered as being one of

three high-priority nuclear targets in Australia. Statements of the current Prime Minister, Mr Hawke, and the Foreign Minister, Mr Hayden, have confirmed this.

"North-West Cape is a high-priority target because it is crucial to communications with nuclear-powered submarines carrying nuclear missiles and a total of 5152 nuclear bombs.

"In an 18-month period from 1980 there were 151 false alarms."

Senator Chipp provided examples of false alarms:

1 - October 9, 1979: False warning of a limited missile attack was sent from the Norad headquarters in the U.S. Nuclear-

armed interceptor planes were scrambled and missile bases put on alert. The false alarm was believed to have been caused by a flock of geese in Alaska.

2 - November 9, 1980: The Pentagon acknowledged that a "war game" computer tape simulating a massive Soviet nuclear missile attack was interpreted by forces on alert as a real nuclear attack.

"On all these occasions North-West Cape would have been intimately involved, which is indisputable evidence that the base has been placed on high levels of nuclear alert," Senator Chipp said.

CSO: 4200/130



# FOREIGN LIMITS IN BROKERAGE FIRMS TO BE LIFTED

Sydney THE AUSTRALIAN in English 28 Sep 84 p 10

[Article by Nikki Savva]

[Text] THE Treasurer, Mr Keating, has announced an important deregulation of the stockbroking industry which could leave Australian firms open to foreign ownership.

He told a luncheon of the Australian-American Association packed with high-ranking members of New York's banks and brokerage firms that the 15 per cent limit on foreign ownership of Australian stockbrokers would be lifted.

He said reforms of the Australian stockbroking sector had been criticised for not going far enough.

"We have turned the stockbroking industry truly into an industry rather than a club and stockbrokers can now in fact compete with rates which they determine themselves," he said.

"Up until now we have allowed 15 per cent foreign holdings in the stockbroking firms.

"There was some criticism of that at the time. People thought that 15 per cent limit cut across generally the things we were doing.

"We in fact decided upon that course of action to allow the Australian institutions to pick over the bones before for-

eign institutions were allowed simply to buy them up.

"Our stockbroking firms were held by individuals and in terms of their capital values could have been very quickly and easily afforded by major institutions abroad.

"But I can say to you that in a very short period of time we will allow a higher level of foreign equity in the Australian stockbroking industry."

Mr Keating said the level had yet to be determined but "we would be thinking in terms of general deregulation of that area in terms of ownership and that is something I think that, given some time, you can look forward to".

## Praise

The tone of Mr Keating's speech was designed to convince the Americans that Australia was a safe place to invest.

Mr Keating received a glowing introduction from the association's president, Mr Benno C. Schmidt, president of J.H. Whitney and Co, who pointed out Mr Keating had just been named the world's best Finance Minister by Euromoney Magazine.

Mr Schmidt said Mr Keating was one of the few public offi-

cials about whom nothing bad was said. He said that both Liberal and Labor politicians he had spoken to were full of praise for Mr Keating.

Mr Keating said his Government had managed to stimulate the economy without inflation breaking out and that the past year showed record economic growth for Australia.

He said that strikes had declined to a third of the level they registered two years ago.

"We expect a pick-up in business investment this year," he said.

Mr Keating recalled that "two years ago Australia was in the worst recession of the last 50 years, with high inflation, unemployment and interest rates".

He said that since then his Government had brought the money supply on target for the first time in six years.

Mr Keating said the Government had started to deregulate the banking industry and was taking other measures to loosen up the economy.

"Our greatest resource, the Australian people, has been hemmed in by restrictions that we are removing," he said.



# TRADE WAR LOOMS WITH U.S. OVER COAL FOR JAPAN

Melbourne THE AGE in English 27 Sep 84 p 13

[Article by Simon Holberton]

[Text]

**A**USTRALIA is under threat — not from the Soviet Union or the Indonesians, but from our rich and powerful friends across the Pacific, the Americans.

The conflict we are about to be engaged in concerns coal. The Americans want much more of the Japanese market than they already have and, if they are successful, it is Australia that will lose out.

The Minister for Employment and Industrial Relations, Mr Willis, is in Tokyo and part of his job is to sell the idea that Australia is a reliable supplier of raw materials to Japan.

At a Press conference earlier this week, he said the Government was well aware of the pressure coming from the Americans.

"One of the things I've been seeking to do here is to reassure the Japanese that we are determined to be seen as a stable supplier," he said.

"Australia is a reliable supplier of raw materials, our present industrial relations climate is good and Australia would object forcibly if Japan bowed to pressure from third countries to alter its sources of supply."

The Americans have already won the fight over beef and Australia's share of the Japanese market for beef (last financial year it earned us \$300 million) has now been set on a downward track.

Coal is Australia's biggest single export. Last financial year, it represented nearly two-thirds of our

trade with Japan and a little more than 8 per cent of our total exports.

In dollar terms, Australia's coal trade with Japan came to a little more than \$2000 million. As one Australian who didn't want to be identified put it: "Beef is really peanuts, but the coal trade is where the real money is".

The loss of this income could be disastrous for our balance of payments, but the impact on our domestic economy (through flow-on effects) mine closures would bring is probably beyond the calculation even of economists.

Australia now has about 45 per cent of the Japanese market for imported coal, while the Americans have about 23 per cent.

The issue has been simmering for some time, but it came to a head last week in Tokyo when representatives of US coal mines (with observers from the US Government) sat down with representatives of the Japanese steel mills and Japanese Government observers to talk about lifting Japan's imports of US coking coal (for steel making) and steaming coal (for electricity generation).

What was clear from the reports that came out of the standing technical committee of the Japan-US Energy Coal Conference was the US determination to increase its share of the Japanese market. And the Americans have some fairly powerful and persuasive claims to make on the Japanese.

Japan's trade surplus with the US is a whopping \$US21,077 million in just the first seven months of this year. For the whole of last

calendar year, the surplus was \$US21,665 million. The total cumulative trade deficit at the end of July came to \$US73,824 million.

Little wonder then that the feeling around Tokyo's non-American diplomatic community is that Japan cares about only one bilateral relationship — that with the US.

The Japanese steel mills' reaction to the US demands was blunt. US coal cost more than \$US10 a tonne more than Australian coal; the steel mills were not interested in long-term contracts because the American mines were not efficient; and, joint-ventures for the development of new US mines were out of the question considering the present oversupply of coal on the world market.

Contained in the latter comment was a rare admission that the Japanese plunge in to the development of Canadian west-coast coal mines had been too costly and of doubtful profitability.

The Japanese Government, for its part, is trying to adopt a low profile. The Ministry of International Trade and Industry (MITI) is basically "neutral", while other Government agencies believe the whole issue is related to the forthcoming presidential election and should die down after November. The Americans are being "immature", the Japanese say.

But, as Australian officials point out, the Americans are tenacious. They chose beef and citrus fruits first (and won), and now they have moved to coal. They also note that the Americans have a lot of clout in Japan, especially with the Prime Minister, Mr Nakasone.

Australia's relations with the rest of the world are primarily economic. We are a small country and even though it might be intellectually satisfying to have a view on everything from the arms race to the present state of affairs in Central America, a country with a population of 15 million does not have a lot of clout when it comes up against a country like America.

The US-Japan talks are due to resume in Washington next week and this time they will be conducted at a top political level.

Representing Japan will be Mr Kazuo Wakasugi, MITI's Vice-Minister for International Affairs, and representing the US, Mr Allan Wallis, an Under-Secretary of State.

An intensification of US pressure is expected and Australian coal companies and Government officials both here and in Canberra will be watching them closely.

What a successful American assault on the Japanese coal market would mean for long-term US-Australian relations is something which the Americans have not fully taken into account.

American business has a lot of money tied up in Australia. And there are three very significant military/intelligence bases.

The loss of the coal trade and its harmful effects on the economy would almost certainly affect the profitability of US interests in Australia.

But the time has come for Australia to speak out about something where its self-interest most certainly lies.

Telling the Japanese, however, is only part of the job. It is in Washington that our interests are being threatened.

EAST JAVA NU CALLS FOR CONGRESS TO BE HELD SOON

Jakarta MERDEKA in Indonesian 3 Sep 84 pp 1, 11

[Article: "Memorandum to the NU PB Requests That a Congress Be Held Soon"]

[Text] Surabaya, Sunday [2 September]--A memorandum addressed to the Nadhlatul Ulema [Muslim Scholars Party] Executive Board (NU PB) requesting that a congress be held soon to unite NU members all over Indonesia into one solid force was agreed upon by the East Java NU Regional Executive Committee (DPW).

Sulaiman Bijahimo, the chairman of the East Java NU DPW who handles organizational and legal matters, told MERDEKA today that the first plenary session of the East Java NU DPW held in the middle of last week agreed to prepare such a memorandum.

He said that when he attended the first United Development Party (PPP) Congress in Jakarta not long ago, PPP delegates (NU members) from various parts of the homeland met at the NU PB in Jakarta. Their mutual desires became evident in this meeting, namely to end misunderstandings, support the unification of all NU member units in the homeland and to hold a congress.

According to Bijahimo, although targets for implementation in December were agreed upon during the meeting in Jakarta, no decision was made as to where the congress should be held. However, the general desire was to hold it at one of the big religious training centers in East Java.

"However, those of us in East Java feel the sooner it is held, the better," he said, adding that it was not yet officially determined who should serve on the organizing committee for that congress.

When he was reminded that an NU congress committee had been formed with the blessing of Idham Chalid, Sulaiman Bijahimo, without indicating that there was any "conflict of opinion" among NU leading personnel, said the congress organizing committee should be formed jointly to ensure that the aspirations of all members would be met.

"It was felt that smooth progress was being made toward a reconciliation as indicated by the 'groupings' in the PB NU during the PPP congress," he explained.

"We hope to have a regeneration of the leadership through this congress," he added.

#### Do Not Be Domineering

In reply to MERDEKA's question on the procedures and results of the PPP congress held in Jakarta, the DPW chairman from the NU base region added that NU members who sit on the PPP board, in responding to what happened at that congress, should not be domineering like Syaiful Mudjab of Yogyakarta.

Bijahimo felt NU members should speak with "one voice" about the PPP congress and that this "voice" would be decided in the coming NU congress.

In that congress, Bijahimo said, NU has many alternatives in deciding on what attitude it should take toward the PPP.

He cited as examples that NU, as one of the founders of the PPP, could decide to leave things as they are at present in the sense that it would remain in the PPP and channel its political aspirations through that organization; it could also continue to channel its aspirations through the PPP except that it would carry no influence; or it could do what Idham Chalid recommended and that is, its political aspirations would be decided upon by its membership.

#### Discourse Forbidden

When asked whether further steps would be taken against Hisbullah Huda and his crew, judged to lack discipline, Bijahimo said a decision had been taken on this matter in the NU DPW management meeting. It recommended to the NU PB that Hisbullah Huda be forbidden to hold any discourse with the membership while the East Java NU DPW is giving the other four, Sulaiman Fadli, Adjis Purwo, Mardijin Sjam, and Umar Buang time and the opportunity to "mend their ways."

"However, no word has been received by the DPW to date on any decision made on these cases by the NU Pb," he explained.

6804

CSO: 4213/24

REASONS FOR DELAYED PREPARATION OF RESETTLEMENT LAND CITED

Jakarta MERDEKA in Indonesian 4 Sep 84 pp 1, 11

[Article: "Problems with Resettlement Land Preparation"]

[Text] Jakarta, Monday [3 September]--One of the obstacles that is stalling the preparation of resettlement land in fiscal 1985 is the limited number of bonafide businessmen who are interested in doing this work.

A number of times in the past, this newspaper has reported, quoting a source, that as of August no land had been prepared for the 1985 fiscal year, while for the same period last year land had already been prepared for the advent of 20,000 transmigrant families.

S. Subagyo, chief of the Legal and Organizational Affairs Bureau of the Department of Transmigration, replying to a newsman's question on Monday afternoon [3 September], said many businessmen had submitted bids for the land preparation work, but after their bids were accepted, they usually could not manage the work and ultimately withdrew from the project.

However, he added, another obstacle is the lack of an implementation guide for KEPPRES [presidential decree] 29 and 30 which replaced KEPPRES 14A and 18.

Such a guide is needed, for instance, to determine which supplies must be handled through a guidance team and which must be approved by the State Secretariat. The new KEPPRES states that supplies costing more than 200 million rupiahs must be handled through a guidance team. The limit set earlier was 500 million rupiahs.

Case Closed

Asked about the case involving manipulation of state money in North Sumatra, which reportedly involved almost 1 billion rupiahs, S. Subagyo said that a team had been sent to Sumatra and the case was now closed. He did not explain how the case had been settled or whether the perpetrators would be tried.

6804

CSO: 4213/24

## HOME AFFAIRS MINISTER'S GUIDELINES FOR SUPERVISING G30S DETAINEES

Jakarta SINAR HARAPAN in Indonesian 4 Sep 84 p 1

[Article: "Home Affairs Minister Tells PEMDA Personnel: Be Increasingly Attentive to Supervising Former G30S/PKI Detainees"]

[Text] Jakarta (AB)--MENDAGRI [home affairs minister] Soepardjo Rustam offered guidance to DEPDAGRI [Department of Home Affairs] regional personnel in the context of improving the development and supervision of former prisoners and convicted G30S/PKI [30 September 1965 abortive coupe/Indonesian Communist Party] convicted criminals as a further step in observing MENDAGRI Instruction No 32 of 1981 concerning this matter.

Responding to a question from AB, Drs Feisal Tamin, the DEPDAGRI spokesman, in his office on Monday [3 September], said that if the guidance and decisions outlined in the MENDAGRI instruction were followed to the fullest extent possible, development and supervision activities would be carried out well also.

Under the present decisions, one would know where A, for instance, had gone and where he was now. It would also be known where a former prisoner or convicted G30S/PKI criminal went or whether he moved from his initial place of residence because those responsible must report this matter to government personnel in the individual's original place of residence and in the new place of residence.

#### Careful Investigation

When asked about the discovery that a number of former prisoners and criminals in several regions might have escaped to "the forest," Feisal said a solution to this problem could only be found after careful investigation of the matter to determine whether this happened because PEMDA [regional government] personnel, particularly those in the villages, understood little or nothing of what was contained in the guideline mentioned above or whether some of the decisions contained therein could be carried out only with difficulty in certain locations. Perhaps also some of these individuals were bent on escape from development and supervision.

To solve this problem, Feisal Tamin said, better supervision and control are required of all government personnel, especially DEPDAGRI personnel assigned to the regions.

Because these cases exist, Feisal said, steps will be taken by certain government agencies to solve this problem. In this connection, regional DEPDAGRI personnel are expected to be able to carry out their tasks to the maximum extent possible.



PROCEDURES FOR ISSUING FOREIGN WORKER PERMITS SIMPLIFIED

Jakarta SINAR HARAPAN in Indonesian 1 Sep 84 pp 1, 12

[Article: "Lecturers in Seminars To Be Taxed; Permit Application Procedures for Foreign Workers To Be Simplified"]

[Text] Jakarta, 1 September--As of 1 September 1984, permit application procedures for aliens working in Indonesia are to be simplified. The decision on this matter is contained in Manpower Minister's [MENAKER] Regulation No Per-04/Men/84 which replaces MENAKER Decision No Kep-64/Men/1984.

Manpower Minister Sudomo, who made this announcement on Saturday afternoon [1 September] to businessmen who employ many aliens, educational institutions and social and other agencies that employ foreign labor, said applications for work permits by those who employ aliens which are submitted prior to 1 September 1984 will be subject to the decisions contained in the old regulation while those submitted after 1 September will be subject to the new regulation.

Sudomo said foreign workers [TKA] are still needed as complementary labor in the context of national development and for the transfer of technology. Therefore, the Indonesian government is not anti-foreign workers. "However, strict measures will be taken against those who violate the law in this respect."

Measures prescribed for "Operation Mawas" (supervision of aliens) will continue to be taken against, among others, those who have no work permits or whose permits have expired, those who abuse tourist visas, and those who abuse visas issued for business trips.

Sudomo asked heads of companies and other institutions that employ foreign workers to contact the DEPNAKER [Manpower Department] when problems arise. Replacement of foreign workers with Indonesian workers should also be done in stages and should be based on the national manpower program which includes educational preparation, job training and intensive development of the individual worker.

Planning

Among other things, the new regulation states that the application for employment of foreign workers by an enterprise or other institution must contain

a manpower plan which informs the DEPNAKER of particular positions established for foreign workers. It might include sectors of work in which foreign workers still must be employed or where they need not be employed, positions which are temporarily set aside for foreign workers, jobs or positions in which foreign workers are to be employed for a certain period of time as well as certain jobs or positions which are firmly closed to foreign workers.

The BKPM (Capital Investment Coordinating Agency), acting for the manpower minister, may handle applications for TKA permits for PMA [foreign capital investment] and PMDN [domestic capital investment] companies while the MENAKER or a designated official will take care of applications submitted by national private companies that were not established under the PMA or PMDN law, companies established by BUMN [State-owned Business Organization], foreign private companies working in Indonesia under a contract or under another type of agreement, social, economic, educational, cultural, religious institutions, government agencies, foreign representations and international organizations, trade representations, news agencies as well as other foreign businesses.

The new regulation also states that jobs that may be held by foreign labor are those which by nature are considered temporary. They include inspection of company branches in Indonesia, those which by nature are considered emergency or urgent jobs, such as servicing, supporting, installing or repairing machinery, and those considered nonpermanent work. Work permit applications for these jobs must be submitted to the MENAKER or a designated official.

#### Lecturers

Aliens who give lectures in seminars must also submit an application for a work permit to the manpower minister. These individuals are to be taxed because they are paid an honorarium for holding these seminars. This policy was not in effect earlier.

For aliens who work on government projects, including foreign aid projects, applications for TKA permits are to be submitted by the technical department to the MENAKER or to a designated official. Permit applications for businesses which by nature are "impresarios" such as those who arrange for visits of foreign artists must submit applications for work permits to the MENAKER or to a designated official and attach a letter of recommendation from the Study and Evaluation Committee for Art and Recreational Activities.

Bearers of permits must submit a report on the employment of TKA to the MENAKER every 6 months, a copy of which must be sent to the technical department and for PMA and PMDN companies to the BKPM chairman.

6504

CSO: 4213/24



## SENDING OF WORKERS FROM FLORES TO MALAYSIA SUSPENDED

Jakarta KOMPAS in Indonesian 13 Sep 84 pp 1, 12

[Text] Larantuka, KOMPAS--Minister of Manpower Sudomo has launched Operation Larantuka, which, among other things, temporarily stops all means of sending workers from East Flores to Malaysia while a conceptual solution is being worked out. This will bring more order to the uncontrolled, massive flow of manpower from East Flores to Malaysia.

Sudomo's decision was issued in Larantuka [East Flores] on Tuesday [11 September] after hearing and seeing firsthand some aspects of the manpower problem in East Flores.

In order to deal with the consequences of this action, Sudomo asked Governor Ben Mboi to establish special labor-intensive projects, for which wages will be provided by the Department of Manpower [DEPNAKER]. The minister stated that the funds to be made available will be equivalent to wages obtainable in Malaysia.

Besides labor-intensive projects, possibilities will be studied for the development of the agriculture and other sectors that may absorb manpower. In this connection, Sudomo said that he will encourage the "foster father" system to support the marketing of local products and thereby better motivate the people to produce.

The minister admitted that the problem of marketing, especially in small places, is very difficult, since companies always look at things from the business aspect. Therefore, he added, regional governments must begin to look at business approaches in their efforts to improve the productivity of their people. In the sarong industry, for example, quality must be improved in order to expand sales.

### Action Against Brokers

Under Operation Larantuka, Sudomo ordered stiff action against brokers who send workers to Malaysia. An information campaign in the villages is also to be conducted, so that the people of East Flores will be aware of the considerable disadvantages as well as the benefits of working elsewhere.

Meanwhile, an element of DEPNAKER will be set up in Larantuka to assist in Operation Larantuka and in future export of manpower.

Sudomo was confident that manpower problems like the one in East Flores can be overcome by more comprehensive manpower planning. He viewed the role of regional government as important in such planning, since regional government best understands the realities of its own area. The role of DEPNAKER is merely to help. "It has been a mistake to think that DEPNAKER is primary and that regional government is only complementary," declared Sudomo.

NTT [East Nusa Tenggara] workers fleeing to Malaysia come from the Sikka Regency as well, but the ones temporarily blocked are only those from Larantuka.

### Problems

The people of East Flores are known for their fondness for migration. Because of the trouble they have in finding jobs at home, they have been going to Sabah, Sarawak and Tawau for work since 1950. Prompted by "success stories" of workers who come home on leave, the flow of workers has increased from year to year, especially in May-June and October-November. They are gathered by opportunistic brokers, who transport them by motor vessels that frequently are not seaworthy. Disasters are not uncommon.

According to East Flores regent S. P. Soliwoa, 20,211 people from East Flores sought work in Malaysia from 1979 to 1984. Of that number, 6,597 went legally and 13,614 went illegally.

The massive flow of manpower to Malaysia has its positive aspects, according to Regent Soliwoa. Much money flows back to the home areas of the migrants.

### Negative Impact

The negative impact of this migration is considerable, however. Since would-be workers often have no money, loans are made at very high interest. The consequent unpaid debts at home frequently result in excesses.

Another negative effect is the shortage of productive manpower for regional development. The 20,211 people who migrated between 1979 and 1984 represent half of the work force in East Flores, and half of those remaining in the villages are women, children and the elderly.

Sometimes the job seekers fail to find jobs in Malaysia, either owing to their lack of skills or because they went without any assurance of work.

### Regional Government Efforts

Regent Soliwoa said that since 1976 the East Flores government has taken several steps toward overcoming the flow of manpower to Malaysia. These measures include enforcement of travel permit regulations, tighter monitoring

of departure points, and encouraging the people to create job opportunities themselves.

These efforts have been difficult, however, because of such things as a shortage of monitor personnel, the insular geography, lack of public awareness of the need to create jobs, and difficulty in acquiring information on movements in and out of harbors both in East Flores and at destination points.

In Kupang, Nono Lekntompessy, principal director of PT [limited company] Semen Kupang, indicated that he might open up work in East Flores, where his company may buy a potential gypsum mine.

6942

CSO: 4213/29

# DISCARDING KAABA AS PPP SYMBOL ADVOCATED

Jakarta PELITA in Indonesian 12 Sep 84 pp 1, 10

[Text] Jakarta, PELITA--The determination of the PPP [Development Union Party] to retain the Kaaba as its symbol may result in political manipulation. Within, the PPP will keep on flying its ideological flag (Islam) with its picture of the Kaaba and will proceed with its Islamic program, while to the outside it will launch "Pancasila [the five basic principles of the Indonesian republic] principle" diplomacy.

This was the statement given to the press yesterday by Agus Miftah, the young leader who at the PPP preconference became known as spokesman for K. H. Ali Maksum from Jogjakarta.

"That's sneaky. They say Pancasila principle is okay, but their ideological identity goes right on," he said.

He feels that the Kaaba symbol will be the PPP's basic theme in its efforts to win support from within. That means that the nature of the PPP is still ideological.

If that is indeed what they mean, he said, the PPP is in truth taking a big step backward.

## Ideological Packet

The Kaaba symbol, its Islamic principle, and the Party Deliberative Council constitute an ideological packet that in the past reflected the PPP as an ideology-oriented Islamic party.

After the first PPP congress, the party declared that Pancasila was the single principle of the PPP and that it was no longer oriented to ideology but to programs.

For that purpose, the PPP abolished its Islamic principle and the Party Deliberative Council. Nevertheless, the PPP has in fact determined to keep its symbol, and that appears to be the principle of PPP leaders.

It is clear, however, that the Kaaba was the ideological symbol of the PPP in the past. "That being the case, PPP leaders should be asked whether they are program-oriented or symbol-oriented," he declared.

He stated that if the Islamic principle and the deliberative council have been abolished the Kaaba symbol should be abolished or replaced, since they are an ideological packet. The future emphasis of the PPP should be on programs and their realization and not on a symbol.

In his judgment, to be symbol-oriented is too "naive" for the PPP, particularly in view of the statement by a PPP leader that if the PPP does not have the Kaaba symbol GOLKAR [Functional Groups] will be "shadow boxing."

That is the same as admitting that without the Kaaba symbol the PPP is only an empty shadow. The PPP appears uncertain about the program-oriented theme. Such an attitude shows lack of honesty with one's self, which is a regrettable step backward.

6942

CSO: 4213/29

---

# SCRAPPING OF SHIPS HAS LITTLE EFFECT ON FREIGHT VOLUMES

Jakarta KOMPAS in Indonesian 12 Sep 84 p 2

[Text] Jakarta, KOMPAS--Freight volumes on RLS [regular liner service] ships have not risen in proportion to reduced merchant fleet capacity accomplished in May by the first phase of the scrapping of old ships. Capacity was reduced by 40 percent, while freight volumes are up only about 10 percent.

Furthermore, the limited role played by other shipping elements, such as local shipping and especially PELRA [people's shipping] using PLM [motorized sailing ships], does not let them breathe easily yet. The part they should have obtained has been taken by other PELRA.

Government action last May to scrap ships 30 years old and above took about 175 ships with total deadweight tonnage of 190,000 tons out of operation. That reduced the RLS fleet, which was made up of 432 units totaling 505,000 DWT [deadweight tons], by 40 percent.

The scrapping of old ships was done to create a balance between freight and available capacity. Before the government's action, annual freight volume was estimated at 5.2 million tons, which required a shipping capacity of 289,000 DWT. The excess capacity of 216,000 DWT was almost balanced by the 190,000 DWT reduction produced by the scrapping.

Several shipping companies admit that they have experienced an increase in freight volume of only about 10 percent, which was about the same as last year, a consequence of uncertain freight tariffs and increased fuel oil prices. Freight charges prevailing now are about 40 to 45 percent below established tariffs.

6942

CSO: 4213/29

EAST JAVA FOOD PROCUREMENT SURPASSES TARGET

Surabaya SURABAYA POST in Indonesian 11 Sep 84 p 2

[Text] Surabaya--A very favorable climate and the absence of pests and disease have resulted in abundant food supplies in East Java in 1984-1985.

Although the rice target was 500,000 tons, procurement as of 8 September had reached 937,677 tons. Since the dry-season rice harvest is still in progress, it is expected that food procurement in East Java will reach 1 million tons.

In fact, the problem is warehouses to hold the rice. BULOG [Logistics Board] owns 183 warehouses in East Java with a total capacity of 535,000 tons. Private warehouses also are now being used for rice bought by BULOG.

Rice is still being shipped to other provinces, at an average of 500,000 tons per year.

H. A. Djaffar, head of DOLOG [Logistics Depot] for East Java, cautioned all members of the DOLOG apparatus and both KUD [village unit cooperatives] and non-KUD members to pay attention to rice quality. No exceptions will be made in rice quality during the 1984-1985 procurement period, in order that budgeted categories (ABRI [Indonesian Armed Forces] and civil service employees) will be sure to receive rice of good quality. This will apply especially to East Java rice used to meet the needs of budgeted categories outside East Java. If East Java rice is bad, that will certainly give a bad impression, declared Djaffar.

6942  
CSO: 4213/29



## MUHAMMADIYAH, MUSLIM STUDENTS ON PANCASILA, SOCIAL ORGANIZATION BILL

## Muhammadiyah

Jakarta HARIAN UMUM AB in Indonesian 11 Sep 84 pp 1, 8

[Text] Jakarta, AB--Since the beginning, Muhammadiyah has accepted Pancasila [the five basic principles of the Indonesian republic] as the foundation and philosophy of the state. Therefore, guided by article 19 of the 1945 UUD [constitution], Muhammadiyah hopes that in the social organization bill the diversity of social organizations and differences in expression and opinion will continue to be guaranteed by law.

This was the contribution of the Muhammadiyah Central Leadership Council [PP] to an exchange of views with the Development Union Faction [FPP], headed by FPP deputy chairman Darusamin, at the DPR [parliament] building in Jakarta on Monday [10 September]. Kusnadi, deputy chairman of the Muhammadiyah PP, and Djarnawi, secretary, spoke in the meeting. The purpose of the exchange of views was to gather input for the FPP in discussions on the five bills related to the political sector.

Muhammadiyah proposed that the following be added to the "consideration" part of the social organization bill: "That the diversity of social organizations is made possible by the Constitution's recognition of, and guarantees for, groups and religious differences, and that the constitutional method for reaching decisions makes possible differences in expression and opinion."

In chapter III on rights, Muhammadiyah proposed that wording be added saying that social organizations of a religious nature have the right to carry on activities themselves among women, youth and students to establish cadres and to pursue activities related to propagation of religion, education, social welfare, economic affairs, mosques, etc.

Muhammadiyah also hoped that other social organizations of religious nature will include their distinctive responsibilities in their constitutions.

Such religious organizations should be able to regulate their membership in specific ways consistent with the distinctives of their groups.

Muhammadiyah proposed that the freezing and banning of organizations be done only after decisions by the Supreme Court.

#### No One Rejects

In response to a question by an FPP member, Muhammadiyah PP secretary Djarnawi emphasized that since the birth of Pancasila Muhammadiyah has accepted it as the foundation and philosophy of the state. Similarly, there is no Muslim group that rejects Pancasila.

Nevertheless, he said, Pancasila has not yet been included in the Muhammadiyah constitution. The forthcoming social organization bill will require that Pancasila be recorded in the constitution. "Who, then, will have the right to add it?" asked Djarnawi, who then also answered, "It is the Muhammadiyah that will decide it."

"Wait and see what will happen. It is not we who will answer, but the congress. We hope that the congresses of Muhammadiyah, NU [Muslim Scholars Party] and other Islamic social organizations will go smoothly and productively," said Djarnawi.

Darusamin stated that the acceptance of Pancasila as single principle by the PPP [Development Union Party] has been a part of the PPP's political struggle. With Pancasila, he added, the PPP will have a broader outlook.

#### Muslim Students

Surabaya SURABAYA POST in Indonesian 20 Sep 84 p 1

[Text] Jakarta--The PB [board of directors] of the HMI [Muslim College Students Association] has decided to include the Pancasila principle in the preamble to its constitution in the same way that Pancasila is mentioned in the preamble to the 1945 Constitution. Pancasila will not, however, be included in the body of its constitution or as the foundation of the organization.

It is hoped that the HMI's decision will be supported in the DPR by the FPP in final discussions on the social organization bill, which was submitted by the government along with four other bills on the political sector, according to Harry Azhar, general chairman of the HMI PB, in a meeting for exchange of views with the FPP in Jakarta on Thursday [20 September].

According to the HMI PB, social organizations have the liberty to establish the structure of their own organizations, and a social organization law must guarantee the freedom of citizens who are members of religious organizations to live on the basis of religious principles.

The law also must not give legal authority to the executive branch to interfere with the liberty of citizens in their lives in social organizations.

This means, said Harry, that social organizations possess guarantees to rights established by the Constitution. Those rights cannot be frozen or dissolved.

If acts are committed in violation of state legal regulations, legal sanctions should be made against leaders rather than against the organization. The freezing of an organization must be done through judicial institutions, and authority for such action must be done, for example, by forum, congress or national conference, as provided in the constitution of the organization.

Lower

The HMI PB general chairman, who was accompanied by several other directors, said further that the legal status of a social organization law, as an expression of article 28 of the 1945 Constitution, is lower than that of the Constitution, and such a law, therefore, may not reduce the liberty and freedom of a citizen.

As for the HMI, a social organization law may not be enacted if it ignores principles contained in Pancasila or the 1945 Constitution.

The realization of Pancasila means to the HMI a "transcendental" authority. The placement of Islam as organizational foundation is based upon a conviction that Islam is a true and perfect teaching, not merely the symbol or identity of an organization.

He said that Islam is the source of values for thought and action and at the same time the motivation for realizing Pancasila. Only with Islam as the foundation of its organization can HMI fulfill its responsibility to God and all the people to bring to realization an Indonesian society based on Pancasila.

The HMI judges that the social organization bill shows the desire and will of the government to get legal authority to interfere with the rights of social organizations.

The authority of judicial institutions to freeze and dissolve organizations is apparently being transferred to executive institutions.

The social organization bill only deals with existing organizations and affords opportunity to the executive branch to dissolve and disband social organizations in order to change them into other types of organizations.

This, according to the HMI, is a loss to social organizations. It is greatly feared that political life will become increasingly undemocratic, whereas the participation of the people in national political decisions is an important principle of government.

Such participation means that the government can understand the goals, interests and desires of the governed, which in turn is for the good of the people.

The HMI feels, therefore, that Pancasila as single principle, is justified only in the context of national and state affairs, as provided for in the 1945 Constitution. The wording "government supervision of social organizations" should be replaced with "service that reflects the relationship of government to the people," so that it does not give the impression of something being decided at higher levels in the structure.

6942

CSO: 4213/29

## NU RIVAL FACTIONS ACHIEVE RECONCILIATION IN SURABAYA

### 'Dramatic' Meeting

Surabaya SURABAYA POST in Indonesian 12 Sep 84 pp 1, 12

[Text] Surabaya, 11 September--A dramatic and historic meeting between ulama [Muslim scholars] of the Nahdatul Ulama [Association of Muslim Scholars], the largest Islamic organization in Indonesia, took place in Surabaya on 10 September. The meeting resulted in establishing peace between two rival factions, known as the Situbondo and the Cipete groups.

For years the Situbondo group, led by K H As'ad Syamsul Arifin, K H Ali Maksum, and K H Achmad Sidik, has never been in agreement with K H Idham Chalid and his followers, who have been known as the Cipete group. The city of Situbondo in East Java has been well-known as the location of the Asem Bagus school [pesantren], which was directed by K H As'ad, while Cipete, in Jakarta Selatan Regency [West Java] is the place where K H Idham Chalid lives.

In the NU organization the position of general chairman [ro'is aam] has been recently held by K H Ali Maksum, while the position of general chairman [ketua umum] of the Executive Committee [pengurus besar] has been held by K H Idham Chalid. A key point in the dispute between the two factions was reached on 2 May 1982 when Idham Chalid said he was resigning from his position. Later, on 6 May 1982, he withdrew his resignation. However, the general chairman and the Situbondo group no longer recognized Idham Chalid as general chairman of the NU Executive Committee. The conflict which followed in the top leadership of the NU spread to the provinces and to the local branches of the NU.

A number of NU leaders admitted that as a consequence of the split the position of the NU had been weakened at the congress of the Development Unity Party (PPP) which was held in August 1984. A number of NU leaders, including Idham Chalid, Jusuf Hasjim, Nuddin Lubis, Sjaiful Mudjab, and Hasjim Latief, no longer took part in the leadership structure of the PPP.

### Internal Unity

In a press statement issued by Abdurrachman Wachid on 11 September in the name of the Executive Committee of the NU Advisory Council [syuriah] it was stated that at a meeting held in Surabaya on 10 September agreement had been reached between the senior leaders in attendance to ensure the internal unity of the NU.

Internal unity was very much needed in connection with the plans to hold the 24th Congress of the NU in the near future. The purpose of the congress is to revise the NU Declaration of 1926 (the year in which this social and religious organization was established).

In this way it is hoped that the respect of the NU and of all of its members for religion, the nation, and the state can be increased, Abdurrachman Wachid said. The friendly meeting was held on the initiative and at the invitation of the family of the late K H Wachid Hasjim to commemorate his services and pray for the souls of the founders and previous leaders of the NU.

H M Hasjim Latief, former East Java provincial coordinator of the PPP, acted as host at the meeting, which was attended by dozens of prominent ulama from West, East, and Central Java and from Jakarta. One of the decisions of the First Congress of the PPP had abolished the positions of PPP provincial coordinators throughout Indonesia, most of which had been held by NU figures. Sjaiful Mudjab, former Central Java provincial coordinator of the PPP, resigned from the PPP some time ago. Hasjim Latief and Sjaiful Mudjab themselves, at the time the PPP congress was held at the Hotel Horison Ancol in Jakarta Utara, were not permitted to attend the congress by its organizing committee. At the time the two NU leaders tried hard to participate in the PPP congress but were unsuccessful in their efforts.

#### Those Attending

Those attending the historic NU meeting in Surabaya included: K H As'ad Syamsul Arifin, K H Ali Ma'sum, K H Machruz Ali, K H Masjkoer, K H Saiffudin Zuhri, K H Achmad Sidiq, and Dr K H Idham Chalid. Also attending were K H Achyat Halimi, K H Siradz, K H Abdullah Fakihi, K H Zarkawi, K H Hamid Sji radz, K H M. Nadib Abdulwahab, K H A. Mundjib Ridwan, K H Achmad Abdulwachid, K H A. Sahal Mahfudz, K H Imran Hamzah, K H Annas Tohir, and K H M. Mansjur Adnan.

The NU leaders admitted that after the First Congress of the PPP had been held, the role of NU leaders and members deteriorated, and this circumstance had been very much part of the background for holding the meeting to reconcile the two quarreling factions. Jusuf Hasjim, the son of the late K H Wachid Hasjim, one of the founders of the NU who is now first chairman of the NU Executive Committee, also attended the meeting. Others attending were H. Mochmamad Baidowie, chairman of the Central Executive Council of the PPP elected at its First Congress, and H M Munazir, secretary general of the NU Executive Committee.

#### Idham Chalid's Precondition

Surabaya SURABAYA POST in Indonesian 12 Sep 84 pp 1, 12

[Text] Surabaya--K H Idham Chalid called on the NU membership to maintain the unity of the NU achieved at "Sepanjang Meeting," and avoid raising issues from the past.

Dr A A Azizpurwo, spokesman for Idham Chalid, on 5 September told the SURABAYA POST: "If such old problems are raised again, this may weaken the agreement that has been reached."



The statement by Idham was also made to the organizers of the meeting. At that time Idham Chalid listed his precondition of "three don't's" to all of the groups attending the "Sepanjang Meeting."

The "three don't's" were: don't raise old issues from the past; don't discuss the time, place, and committee composition of the NU congress; and don't discuss the First Congress of the PPP.

It was only after agreement was reached on his preconditions that Idham Chalid was prepared to come to the meeting place made available by the family of the late K H Wachid Hasjim in the home of H. Hasjim Latief. The meeting took up the evening of 10 September.

Idham Chalid's reason for not discussing the three questions had its own background, Doctor Azizpurwo said. He is a former reporter who is presently a member of Parliament, where he belongs to the Development Unity Party Faction.

If the problems of the past were again discussed, such as the resignation of Idham Chalid and the withdrawal of his resignation, both of which took place in 1982, positions for and against him would again emerge. Furthermore, Idham Chalid came to the "Sepanjang Meeting" on his own responsibility, as the Idham group did not agree to his discussing the past with other ulama.

If there were a desire to discuss the past, the Idham group as a whole would have to attend, including such figures as H. Imam Sofyan (chairman of the Party Advisory Council of the Central Executive Council of the PPP and also a chairman of the NU Executive Committee), H. Nuddin Lubis (deputy chairman of Parliament and also a chairman of the NU Executive Committee), Prof K H Anwar Musaddad (deputy general chairman of the NU Executive Committee), and Kyai Ali Wafie (second chairman of the NU Executive Committee).

Doctor Azizpurwo said: "Without their attendance the discussion would be pointless."

Idham Chalid did not want to discuss the place, time, and committee composition for the future 27th Congress of the NU, because he feared that the "Sepanjang Meeting" would concentrate on efforts to hold the congress at a school, as was the case with the NU National Conference held at Situbondo [East Java].

Idham Chalid wants the NU congress to be held in a large city with more adequate facilities. If the congress is held in a small town, the impact of the congress would be limited, and it would also make it more difficult for heads of state and other important guests to attend.

Idham Chalid plans to invite President Soeharto and the vice president, a number of cabinet ministers and ambassadors, and representatives of Saudi Arabia, Egypt, Malaysia, Singapore, and Brunei, who often attended previous NU congresses.

In addition Idham Chalid refused to discuss the results of the First Congress of the PPP because this would cause repercussions involving a number of NU leaders who are presently sitting as members of Parliament or of provincial and regency councils representing the PPP.



## Contents of Statement

The "Sepanjang Meeting" was preceded by a meeting between K H As'ad Syamsul Arifin and Idham Chalid, with no one else present. As'ad agreed to Idham's request not to discuss the three questions which he mentioned. It was only after that had been agreed that the meeting of the ulama continued, resulting in the joint statement.

After meeting for 40 minutes, the seven senior ulama, Ali Ma'shum, Idham Chalid, Saifuddin Zuhri, As'ad Sjamsul Arifin, Machrus Ali, Masjkur, and Ahmad Siddiq, signed the joint statement which they had drafted. One section, which mentioned the question of the NU congress, was struck out, and the joint statement then consisted of seven paragraphs.

The text of the statement obtained by the SURABAYA POST had been typed on one page of legal size paper. The text was preceded by a text in Arabic letters containing one of Allah's statements from the Koran. Its meaning, typed in italics, was: "All of you help each other, out of charity and devotion, and do not join in committing sin and engaging in actions of enmity."

After an invocation to the Prophet Mohammed, the full text of the statement was as follows:

"We, the undersigned members of the Nahdatul Ulama, through a friendly meeting held in the historic city of Surabaya, where the Nahdatul Ulama was established in 1344 [Muslim calendar] or 1926 [A. D.], have unanimously agreed to the renewal of the organization, after reviewing a number of historic developments over the past half century.

"The renewal of the Nahdatul Ulama is a condition for our efforts to uphold and carry out the teachings of Islam in accordance with the views of our community in the context of respect for our religion, nation, and state.

"We agree to develop and maintain unity among the members of the Nahdatul Ulama, particularly in the framework of preparations for holding the 27th NU Congress in the near future. This will be a step toward bringing up to date the Nahdatul Ulama Statement of 1926."

The statement ends with the expression: "May Almighty God bless everything that we have done to uphold his teachings and to glorify our religion. Signed in Surabaya on 14 Dzulhijjah 1404 [Muslim calendar] or 10 September 1984 [A. D.]." And one by one the seven senior ulama appended their signatures to the document, beginning with K H Ali Ma'shum on the upper left and ending with K H Ahmad Siddiq on the lower right.

It appeared that the typewriter used to type the names of the ulama was different from the machine used to type the text, indicating that the text had been prepared previously. The missing paragraph, which had been eliminated, using "Tipp-Ex," dealt with the preparatory committee for the NU congress, a matter which had been rejected by Idham Chalid.

## Return Home

After signing the statement, Idham Chalid and the other ulama agreed to return directly to the places where they were respectively staying. They didn't stand around chatting but went directly to their waiting automobiles. Idham Chalid returned to the home of H. Darmawi (not Barmawi, as reported elsewhere), on Jalan Gubeng Kartajaya. H. Darmawi is a relative of Idham Chalid's and also is a friend who grew up with him in Banjarmasin [South Kalimantan].

At H. Darmawi's home Idham Chalid was involved in discussions until about 3:00 am on 11 September. The discussions included Darmawi and Idham Chalid's followers, who wanted to know the results of the Sepanjang meeting. After that Idham Chalid, who has at one time or another served as a chairman of the DPA [Supreme Advisory Council], minister of people's welfare, chairman of the Indonesian Parliament and the MPR [People's Consultative Council], deputy prime minister, and in a number of other senior positions, returned to Jakarta on 11 September, taking the BIMA [night Blue Train].

Idham Chalid, who has been an NU leader for nearly 30 years and is now 63 years old, did not get on the train at Gubeng Station in Surabaya but went to visit his grandchildren in Malang and got on the train at Kertosono Station there.

## NU Secretary General's Statement

Jakarta SINAR HARAPAN in Indonesian 12 Sep 84 pp 1, 12

[Text] Jakarta, 12 September—H. M. Munasir, secretary general of the NU Executive Committee, has stated that with the reconciliation of leading NU ulama in Surabaya the "Cipete" and "Situbondo" factions no longer exist, and the "books have been closed" on the dispute between the group supporting Idham Chalid and the group supporting Ali Maksum.

Contacted by a SINAR HARAPAN representative on 12 September on his arrival from Surabaya, he discussed the process which reconciled the conflicting groups. Munasir, secretary general of the NU Executive Committee, said that the commemorative program for recognizing the contributions of founders of the NU who have died was not something which is only done once or twice.

Munasir said: "The truth is that a majority of the ulama attending the meeting came to discuss a reconciliation within the NU." He added that the meeting, which took place in Surabaya, was expanded, not only in terms of the ulama attending but also in terms of the broader membership of the NU, including members of the executive organs of the party.

However, he recalled that the meeting this time was not officially held, for example as a forum for reconciliation or a forum to discuss the results of the PPP congress. According to him, the ceremonial forum which was held was used to discuss and simultaneously to carry out a reconciliation which has recently been taking shape.

## Preconditions

In view of the statement declaring that they had effected a reconciliation Munasir said that this was intended to create a climate and the preconditions for moving toward an NU congress. He said: "In that way it is hoped that there will be no further splits which could damage progress toward holding the congress."

Munasir said that in view of the issuance of the statement, there are no longer so-called Cipete and Situbondo groups. He declared: "That is a closed subject."

He also hoped that the quarrels which had created problems at the recently held PPP congress will have no further effect on the NU.

The SINAR HARAPAN representative asked: "So no decision was made on this subject?" Munasir answered emphatically that there will be no decision involving the PPP congress. He added that if the results of the PPP congress are discussed openly, it was feared that this would harm the NU, which is in the course of preparing to hold its own congress.

Munasir said that a law on community organizations is being discussed in Parliament, and it was hoped that, after the debate on this law has been completed, the NU will then hold its congress.

He said that under existing conditions the reconciliation of the ulama has been speeded up, using a commemorative forum. "The fact is that the group was larger. While we were praying to move closer to God, we were reconciled. Regarding the location of this meeting in Surabaya, the fact is that this is because most of the founders of the NU came from East Java. Therefore, it was a matter of returning there," he added, while stating that after the reconciliation took place it was hoped that the NU congress will go off smoothly.

Meanwhile, Dr Chalik Ali, the chairman of the NU Executive Committee, said that there were no outside influences pressing for the meeting of the ulama with Idham Chalid, which took place in Surabaya on 10 September. He made clear that he was referring also to the fact that the position of the NU had been damaged at the time the PPP congress was held in August. He said: "However, even if the PPP congress had not been held at all, the meeting of the NU leaders would have taken place and would have been used for the purpose of preparing for the NU congress in 1984."

According to Dr Chalik Ali, the reconciliation in Surabaya took place for exclusively internal NU reasons. That is, the NU congress needed to be held at once, in addition to restoring the position of the NU as the organization which adopted the Declaration of 1926.

He had previously said that the friendly meeting to achieve an internal reconciliation within the NU Executive Committee, attended by a group of senior ulama and ulama of the younger generation with Idham Chalid in Surabaya, had the full support of the regional and local branches of the NU. He said this was because the meeting may provide a refreshing breeze for the millions of NU members in all parts of the country.

He said that the internal unity of the NU was not only needed by the members of the NU itself. It was also needed in the framework of strengthening one of the pillars of national resiliency. He recalled that in 1967 the NU had politically been one of the cosponsors with the Indonesian Armed Forces of the creation of the government of the New Order at a session of the MPRS [Provisional People's Consultative Assembly]. In 1945, together with other national leaders, the NU had joined in giving birth to the Pancasila [Five Principles of the Nation] and the Constitution of 1945. Therefore, a strong and united NU can have a positive impact on providing substance to independence, both in terms of physical as well as social and economic development, Dr Chalik Ali said.

#### NU Parliamentarians Hail Reconciliation

Surabaya SURABAYA POST in Indonesian 12 Sep 84 p 1

[Text] Jakarta--NU leaders in Parliament welcomed the achievement of an agreement between a number of NU leaders and ulama, looking toward a peaceful reconciliation of the NU. The agreement was developed at a meeting held at Sepanjang, East Java.

Asked for their views separately on 12 September, Zamroni, Taman Ahda, and Iman Sofway, deputy general chairman of the NU Executive committee, expressed their gratitude for the development. They said that this means that what all NU members hoped for has come close to becoming a fact.

Zamroni considers that no advantage could have been obtained from the previous split or differences. Therefore, unity must always be a good thing, but not just unity. This is because, in his view, the national questions facing us are in the field of national development and how the role of the Islamic community should be played.

Taman Ahda thinks that the achievement of unity by a number of NU leaders means that the hopes of NU members at this time are close to becoming a reality. He said that, as an NU member, "I join in hoping that all NU members will provide moral support so that the desire for unity and union within the NU can become a reality at once."

Asked whether the unity achieved by the NU leaders is a reflection of the results of the PPP congress, he asked that this question not be linked to the results of the PPP congress. The important thing is that the basis of this reconciliation is can be attributed to the wish of NU members to return to the party declaration of 1926 and their simultaneous desire to continue promoting national development.

#### Step Forward

Meanwhile, Iman Sofway, deputy chairman of the NU Executive Committee, expressed his gratitude for the agreement and hoped that it will also be meaningful for all of the Islamic community. He hoped that the step forward represented by this reconciliation and the achievement of unity among the leadership will quickly be communicated to the NU regions and branches throughout Indonesia.

In this way the regional organizations of the party can be developed and expanded, so that everything will go well. He considers that the agreement between party leaders was affected by the level of awareness of the Islamic community.

Dr Chalik Ali, the chairman of the NU Executive Committee, considers that the agreement will have the full support of the regional branches of the party. This is because the meeting can provide a refreshing breeze for the millions of NU members throughout the country. A reconciliation is not only needed by NU members themselves but also is needed to strengthen a pillar of national resiliency.

Recalling 1967 in political terms, he said that the NU joined with the armed forces to establish the government of the "New Order" at a session of the MPRS. In 1945 a united NU had a positive influence in fleshing out independence through physical, social, and economic development.

#### President Expresses Happiness

Jakarta SUARA KARYA in Indonesian 14 Sep 84 pp 1, 9

[Text] Jakarta, SUARA KARYA--President Soeharto welcomed the positive developments within the NU, involving a reconciliation within this mass organization. He was particularly pleased that this reconciliation originated within the NU itself.

H. Munawir Sjadzali, minister of religion, made this comment, quoting the chief of state in the course of a meeting at which the minister had reported on this matter at the Bina Graha offices on 13 September.

The minister said that for a long time the government has attentively studied the splits within the NU organization. Along with the Muhammadiyah, the NU is the largest Islamic community social organization and is a partner of the government in the development program.

President Soeharto had assigned to the minister of religion the task as government representative of "providing its views" on the reestablishment of the unity of the NU. According to the minister, he did not have occasion to perform this duty, as the NU leaders, who basically are perceptive people, had already handled the matter themselves.

The minister said: "We pray that unity will return from within the NU itself, because if such unity is imposed from outside the organization, it will simply be unity for the sake of appearances. And if unity for the sake of appearances is imposed from without, this will weaken the organization and disunity will appear again."

#### Stop Petty Bickering

The government urges the NU to reestablish its unity quickly and learn how to forget questions based on small differences of views and petty bickering. The quicker the NU reestablishes its unity, the quicker the unity of the Islamic community will be restored. The government is happy that this partner in the development process has been reunited.



The minister of religion stated that the NU reconciliation meeting was held in Surabaya at the initiative of the family of K H Wahid Hasyim, the son of the late K H Hasjim Ashari, one of the founders of the NU.

The meeting was attended by senior leaders of the NU from the Cipete and Asem Bagus [Situbondo, East Java] factions, namely: K H Asad Sjamsul Arifin from the the Asem Bagus school, K H Ali Maksum (from the Krapyak School; he is general chairman of the NU), K H Machrus Ali, K H Masjkur, K H Sjaifuddin Zuhri, K H Achmad Siddiq, and K H Dr Idham Chalid.

Other NU leaders also attended, including H. M. Munasir, secretary general of the NU Executive Committee; Abdurrachman Wahid, the leading preacher [chatib] of the NU; K H Sjahlai; Hasjim Latief; K H Imron Hamzah; and H. Mohammad Badawi.

The minister of religion said that he hoped this reunification of the NU will be a starting point for the further development of the NU as a community, in accordance with the Declaration of 1926.

5170

CSO: 4213/28

CORN AGAIN IMPORTED THIS YEAR

Jakarta KOMPAS in Indonesian 13 Sep 84 p 2

[Text] Jakarta, KOMPAS--Because of insufficient domestic production, Indonesia is forced to import corn in 1984. In the first phase, 48,000 tons will be imported at a cost of \$14.4 million (about 315 rupiahs per kilogram). Additional imports of about 25,000 tons will follow 1 or 2 months later.

Bustanil Arifin, head of BULOG [Logistics Board], revealed this on Wednesday morning [12 September] after the opening of the second phase of the BULOG national awareness upgrading, which is being held from 12 to 22 September at the BULOG building in Jakarta.

Accompanied by his deputy, Sukriya Atmaja, Bustanil asserted that the long rainy season this year had caused the shortfall in corn production. Many farmers chose to plant rice instead of corn.

As a nondepartmental body tasked with managing procurement of food to stabilize prices, BULOG wants production to climb throughout the year. Desires usually do not coincide with reality, however. Nevertheless, BULOG will not be reckless in setting the volumes to be imported as a result of falling production.

"Imports must not be excessive, lest foreign exchange be wasted. Import arrangements will be made in phases. Only 48 tons had been imported as of September. In October or November another 25,000 tons may arrive to meet the demands of the animal feed industry, which uses about 23,000 tons a month," the head of BULOG said.

6942

CSO: 4213/29



## BIOGRAPHIC INFORMATION ON INDONESIAN PERSONALITIES

[Unless otherwise noted, the following information on Indonesian personalities has been extracted from Indonesian language sources published in Jakarta.]

LT GEN RAIS ABIN--The Singapore Government has given its agreement to the appointment of Lt Gen (Ret) Rais Abin as Indonesian ambassador to Singapore, replacing Ambassador Soedjatmoko, who has completed his tour of duty. Lt Gen (Ret) Rais Abin was born in Bukittinggi [West Sumatra] on 15 August 1926. He is a Muslim and was educated at an HIS [Dutch colonial elementary school], MULO [Dutch colonial high school], and Landbouw School [Dutch colonial agricultural school], as well as an SMA [Indonesian high school]. He spent two years at the Faculty of Economics of the UKI [Indonesian Christian University]. His military education included cadre training (Overseas Section) in 1945, the SSKAD [Army Staff and Command School], the Staff College in Australia, and the National Defense Institute in 1972. In 1944 he began work as an assistant employee. In 1945 he served in the army as sergeant major of cadets (officer cadet training). In 1946 he served in the foreign section of the Defense Company. In 1949 he was a liaison officer in the Indonesian Delegation in Singapore. In 1950 he served as military territory information officer in Tanjung Pinang [Riau]. In 1951 he was staff coordinator of Military District VII in Den Pasar [Bali]. In 1954 he was chief of the Bureau of Education in Army Staff Section IV in Jakarta. In 1955 he was a student in the first class of the SSKAD in Bandung. In 1957 he was deputy commander of the army headquarters in Bali (Nusa Tenggara). In 1958 he was assistant coordinator for government affairs in the office of the Central War Authority [PEPERPU] in Jakarta. In 1958 he was chief of the Defense and Security Staff of the mainland area of Riau Province (for Operation Tegas) [operations against the rebels in South and Central Sumatra]. In 1959 he was fourth assistant in the Military Command in Makasar [South Sulawesi]. In 1962 he was fifth assistant to the chief of staff of Military Region XIV in Makasar. In 1965 he was second assistant to the commander of the Infantry Weapons Center in Bandung. Also in 1965 he was assistant for development and control in Bandung. In 1968 he was a staff officer assigned to the fourth assistant to the commander of the army in Jakarta. In 1971 he was a staff officer assigned to the fourth assistant for logistical affairs in the office of the Army chief of staff in Jakarta. From 1973-76 he was deputy commander of the Army Staff and Command School in Bandung. In 1976 he was chief of staff of the Indonesian Detachment assigned to the United Nations Emergency Force [UNEF] in the Middle East. From 1977-79 he was commander of the Indonesian Detachment assigned to the UNEF. In 1980 he was a senior officer assigned to the

minister of defense and security and commander of the armed forces in Jakarta. In 1980 he was assigned as assistant for general planning affairs in the Ministry of Defense and Security in Jakarta. From 1981-84 he was Indonesian ambassador to Malaysia. His military operational assignments included: operations against Indonesian rebels in eastern Indonesia in 1952, Operation "Tegas" against rebels in Riau Province in 1958, suppression of rebel troops led by Kahar Muzakar and DI/TII [Territory of Islam/Indonesian Islamic Army] units in South Sulawesi in 1962, and Operation "Trihora Mandala" in eastern Indonesia in 1963. His assignments overseas included the post of liaison officer to the Indonesian Department of Foreign Affairs in Singapore and the Staff College Course in Australia, 1963-64. He speaks Dutch and English. [Text] [Jakarta PELITA in Indonesian 1 Sep 84 pp 1-12] 5170

ISKAQ TJOKROHADISURJO DIES--Iskaq Tjokrohadisurjo (88 years old), a leader of the nationalist movement and one of the founders of the PNI (Indonesian Nationalist Party), died in Jakarta on 11 September from heart disease and other complications. Iskaq was born in Ngepeh Village, Jombang Regency, East Java, on 11 July 1896, the fifth son of R. Pandji Tirtoprodjo, an employee of the irrigation system in that village. After attending the village school in Gerbek (Nganjuk Regency) [East Java], he continued his studies in the ELS (European Elementary School) in that town. He attended the Faculty of Law in Batavia [Jakarta] in 1917. He continued his law studies in the Netherlands and graduated from the University of Leiden with the degree of "meester in rechten" [attorney at law]. On 4 July 1927 Iskaq, Engineer [later President] Sukarno, Doctor Tjiptomangunkusumo, Soedjadi, Master of Laws Sartono, Engineer Anwari, Master of Laws Sunario, Master of Laws Budhiarto, and Doctor Samsi established the PNI. After Indonesia became independent Iskaq served as a cabinet minister on two occasions: as minister of home affairs in the Sukiman-Suwirjo cabinet (27 April 1951-3 April 1952) and as minister of economic affairs in the first Alisastroamidjojo cabinet (1 August 1953-12 August 1955). However, Iskaq did not serve a full term in the Alisastroamidjojo cabinet. He resigned in 1954 and was replaced as minister of economic affairs by Professor Engineer Rooseno. In 1965, when the PNI suffered from a major split, Iskaq emerged, determined to reunify the party, together with Sunario and Sunawar Sukawati. After this he withdrew from politics. In addition to his activity as a well-known lawyer and in the Indonesian-Netherlands Friendship Society, he was also busy in the educational field. He established the 17 August Educational Foundation, which operates junior and senior high schools and technical schools. He was busy in the educational field until the end of his life. He leaves five children, all of them married, 17 grandchildren, and five great grandchildren. [Excerpt] [Jakarta KOMPAS in Indonesian 12 Sep 84 p 12] 5170

COLONEL (FINANCE CORPS) SOETARTO--The post of chief of the Army Office of Finance was transferred from Brig Gen S. Momon H. Adiputra to Colonel (Finance Corps) Soetarto at a ceremony attended by personnel of the office on 12 September in Jakarta. Brig Gen S. Momon H. Adiputra will be assigned to the Department of Defense and Security. Colonel Soetarto had previously been a staff officer in the office of the assistant for planning to the Army chief of staff. Colonel Soetarto had once served as a platoon commander in Combat Engineers Battalion II in Military Region IV/Sriwijaya, at the Engineers Training Center in Bogor, and as assistant for training to the commander of the Training and Educational Development Command [KOBANGDIKLAT] at Army headquarters. Colonel Soetarto is a 1962 graduate

from the technical section of the Military Academy in Bandung. He attended the Engineer Training Center in 1973 and later attended the Finance Officers' Course in 1975 and the Army Staff and Command School in 1976. His operational assignments included Operation Bhakti [against rebels in South Sumatra] in Military Region IV/Sriwijaya and Unit II of the Pertamina [State Oil and Gas Company] Security Unit in 1967. Colonel Soetarto was transferred to the Finance Corps in 1975. [Excerpts] [Jakarta HARIAN UMUM AB in Indonesian 14 Sep 84 p 6] 5170

CSO: 4213/32

## INDONESIA

### BRIEFS

OIL EXPLORATION DROP DENIED--Jakarta, KOMPAS--It is not true that the eagerness with which foreign contractors sought to explore for oil in Indonesia has fallen off because the potential for doing so in this region still exists. Abdul Rachman Ramly, executive director of PERTAMINA [National Oil and Gas Company], made this reply to a question from the press after being received by President Soeharto at the Bina Graha [President's Office] on Monday [3 September]. "If it has fallen off, it may be due to the tax question or other factors. It also could be due to the low price for oil," he added. Last week Subroto, minister of mining and energy, admitted that the new tax system had invited many questions from foreign contractors, but after it was explained that the new taxes would not result in any losses for their activities, their spirits and eagerness to work in Indonesia remained high. [Text] [Jakarta KOMPAS in Indonesian 4 Sep 84 p 1] 6804

CSO: 4213/24

COMMENTARIES CRITICIZE KPNLF LEADERSHIP, NOTE DK FAULTS

Past Abuses Cited

Paris MOUL KIMER in French Sep 84 pp 9-11

[Article by Sim Var: "Have I Committed the Crime of High Treason?"]

[Text] For criticizing the demagogic methods of direct democracy used by the president of the KPNLF [Khmer People's National Liberation Front] I am being castigated by some young Khmers who only now are trying their hand at politics. Fortunately for me, not everyone is ready to stone me.

The most courageous one who dared to sign his letter with his name, Mr Yip Yoeurn from Lyons, just to mention him, plainly considers me a madman, criticizing me for attacking the KPNLF when I only criticized some demagogic methods of its president, as if this movement were his exclusive property, when it was created by a small group of nationalists, including the author of this article. Thus, according to my correspondent, I am supposedly an obstacle, "a madman" who, instead of helping to extinguish the fire in Kampuchea, on the contrary, hindered the process. As we can see, this charmingly phrased amalgam was made too quickly for my taste because, in my humble opinion, a resistance movement is one thing and its president is another. The latter moves on; the movement must survive the departure of its successive leaders, as our ancestors told us in the past (ships pass but the shore remains). Without wishing to offend anyone, I must make this small distinction to enlighten all those who, like Mr Yip Yoeurn, forget or do not know these wise words of our ancestors.

I defy anyone to find a trace in my criticism about the KPNLF Movement. Quite the contrary, I have publicly congratulated it on its successes many times. The president himself appeared to be pleased about it. These pretentious youths should not give me lessons in patriotism!

On the other hand, others, less courageous than Mr Yip Yoeurn, for example, the person who hides behind the anonymity of SAMLENG TOULOUSE,

a monthly bulletin published on the order of M. Chhay Hanh Chheng, son-in-law of Mr Son Sann; SAMLENG considers me as an earthworm, for the same reason. I wish they would tell me where they found this earthworm and how he could be a fireman to put out the fire in our country, while alone of the entire Khmer nation, this same earthworm or this same madman vainly cried out in alarm from the tribunal of the National Assembly? Indeed, when the Vietnamese-American war was raging, Hanoi's agents did everything they wished in our country, just like a conquered territory, requisitioning cars for transportation, meeting in hotels or private homes of their compatriots, openly penetrating the services of the kingdom, including the Khmer national police stations, as if they had the blessing of heaven. In the Chamcar Mon palace, where the Khmer head of state and his family lived, they even had access on many levels, day and night, where they could meet as they wished a Vietnamese, communist butler decker with medals and a young girl who worked as the tutor of Sihanouk's children; her father, Hon Du, well known in Phnom-Penh as a placid, debonnaire bookseller in reality had the rank of lieutenant in the Vietcong army. We see that Kampuchea has been on fire since that time and not now, but no one, except this madman or this earthworm who is criticized today, thought to extinguish this fire. Perhaps all those who now claim to be fervent patriots were more deeply hidden in the soil then than the earthworms so they did not see Kampuchea go up in flames. I am angry enough to add again, not to excessively burden the political leaders of our country at that time, leaders still alive who, despite their crimes of high treason which they mistake for masterful political deeds, are attempting to return to power with the help of socialist countries, which are only thinking of their own interests--well, let all those who now accuse me of playing the game of the Vietnamese enemy look first at themselves in the mirror before accusing me frivolously! As for me, my only mistake was to sound the cry of alarm at the right moment, knowing well that if these old offenders succeeded in regaining power, our country would have no future because none of them wish to admit their colossal errors of the past.

Of course, they criticize me for playing the game of the Vietnamese enemy under the pretext that the latter is exploiting my criticisms.

People can say what they wish but this exploitation is a fair fight: between two opponents, since we did the same thing to the Vietnamese enemy.

I would like the young censors to tell me how I should criticize our officials' deeds without the enemy using it against us! I believe I have exhausted all possible, imaginable discreet means but in vain before I publicized my concerns. If they had the courage to tell me how, I would be very happy and thank them in advance!



Whatever the case, if there was a crime of high treason, they should take exemplary sanctions against me. To do that, all they would have to do is accept my resignation from the Council of Wise Men, which I tendered in due form over 2 years ago. Then everything would be settled!

Let them ask the president of the KPNLF why he did not want to accept it; I still do not know myself.

#### Sihanouk's Leadership Faulted

Paris MOUL KHMER in French Sep 84 p 11

[Article by Sim Var: "Does Mr Son Sann Lack Charisma?"]

[Text] Prince Norodom Sihanouk, president of the Khmer Government, called the anti-Vietnamese Coalition, publicly criticized his prime minister for lacking charisma during an interview with the magazine ASEM.

Is it poor Son Sann's fault if he lacks charisma? Everyone knows that he has not had it for a long time. We know why. Indeed, he does not have it because he has never betrayed his country.

Unlike his prime minister, the prince-president has a lot of charisma. He has some to spare. This stems from the fact that: first, he rallied the camp of Pol Pot who is, in his eyes, the greatest national Khmer hero despite his abominable crimes against humanity; second, he called troops of the North Vietnamese enemy to his rescue to attack his own country; third, he only listens to the advice of the communist nations which he continues to serve as an out and out mercenary, without any shame, even though he is a prince. Such historic facts could only be attributed to formidable charismatic talents on which he congratulates himself shamelessly. These gifts have now thrown Kampuchea into the jaws of the Vietnamese wolf.

Now, why is he waiting to use this famous charisma to make this wolf disgorge, this wolf whose game he has continued to play? The Khmer people is awaiting anxiously for the sign of this miracle.

Curiously neither Mr Son Sann, his son-in-law Dr Chhay-Hang-Chheng nor their applauding audience (SAMLENG TOULOUSE), always ready to brand others as earthworms because they dare criticize their idol, have not said a word. Since they keep silent demurely, we cannot compliment them.  
"Hay Oeur, Sandech Auo!"



## Criticism of Coalition

Paris MOUL KHMER in French Sep 84 pp 4-6

[Article by Sok Vannak: "The Khmer Rouge Have Not Changed"]

[Text] A serious incident, not the first of its kind, occurred in early July in the Province of Siem-Reap: the Khmer Rouge deliberately attacked the pro-Sihanouk resistance fighters and inflicted heavy losses on them. This incident caused Prince Sihanouk to send a telegram of protest to Khieu Samphan threatening to resign from his duties as president of the CGDK [Coalition Government of Democratic Kampuchea] if such an attack occurred again. There the matter remains, for the moment at least. Nevertheless, this incident has a disturbing significance for the future. It shows in fact that, on the battlefield, the Khmer Rouge consider the nationalists as adversaries, not as allies (even though they are theoretically).

The FAR EASTERN ECONOMIC REVIEW of Hong Kong published, in its 30 August issue, an article on the increasingly hostile attitude of the Khmer Rouge toward the Kampuchean nationalists. This hostility is directed first against the KPNLF [Khmer People's National Liberation Front]. This article tells that a Khmer Rouge who recently rejoined the KPNLF stated that his commanders "had decided, as a matter of priority, to eliminate the KPNLF." If this information is correct, and we may fear that it is, all worries are conceivable. The only thing that is not surprising, because it was predictable from the beginning, was that the Khmer Rouge would not change--despite their inclusion in the coalition formed in June 1982--and that they would oppose the nationalists on every occasion. They have gone beyond this stage since they are in fact trying to eliminate them purely and simply.

We now know how wrong those people were who in 1982 imposed on the Khmer nationalists an unnatural alliance with the Khmer Rouge. We know which foreign power is responsible for this deplorable mistake. Communist China wanted at any price to maintain the Khmer Rouge, its proteges, at the UN under the sorry label of Democratic Kampuchea. Yet because of their detestable reputation, the latter needed a moral figure of responsibility so that the UN would allow them to remain in their midst. Prince Sihanouk and Mr Son Sann were "encouraged" to provide this moral figure of responsibility. Rather than decline, which would have been better, they agreed willingly or unwillingly to gild again the banner of the Khmer Rouge. The coalition was formed, the CGDK set up and the authors of the genocide continued to take their seat at the UN. Yet they did not change, even if--to preserve appearances--Pol Pot was relegated to the shadows. They could not change, moreover, because repentance was a meaningless word for them.

Their 2 million victims never kept Khieu Samphan, Ieng Sary, Son Sen and the others from sleeping at night; in fact, they are in fine form.

Indeed, the Khmer Rouge had and still only have one idea in mind: to regain power one day and start over again. There are two obstacles in their way: first, the North Vietnamese, and second, the Kampuchean nationalists. People now realize, somewhat belatedly, that they consider the nationalists the big obstacle. This is in the logic of things since the Khmer Rouge ultimately have played the game of the Vietnamese Communists in one way or the other. It is true that they have always maintained an overt struggle against the KPNLF and FUNCINPEC, whose progress on the battlefield begins to worry them. The coalition and its struggle against the common enemy will suffer but that leaves them perfectly indifferent.

The question raised is then to know how the situation will evolve since--to quote the above-mentioned magazine--"the army of the Khmer Rouge still led by Pol Pot is turning against its noncommunist partners." The existence of the coalition is henceforth placed in a new context. Abroad, especially at the UN, the Khmer Rouge continue to use the velvet glove in their relations with their nationalist partners. Yet on the battlefield, bloody incidents may increase, if Pol Pot and his men have truly decided to eliminate the forces of the other two components of the CGDK. They have the means to do it because of their numerical superiority and their weapons. The North Vietnamese will watch as delighted spectators at this future settling of scores. It would be a great opportunity for them and they would profit from it to the fullest extent. Once again, the Khmer Rouge give Hanoi the ideal alibi to justify the presence of its occupying forces on our land.

What will Prince Sihanouk and Mr Son Sann do if their soldiers continue to be attacked by the Khmer Rouge? Will they withdraw from a coalition designed to allow executioners to coexist at any price with their victims? Or will they remain, keeping silent to avoid displeasing China, which is responsible for the current mess which only benefits Hanoi? It is difficult to make a guess, except to say that things may get worse. Peking's obstinate support for the Khmer Rouge is politically catastrophic in every respect.

Only the nationalists now embody the last hopes of the Kampuchean people. If given no other choice, this people would still prefer--for obvious reasons--to submit, hearts filled with anger, to the yoke of the North Vietnamese rather than fall again under the abominable tyranny of the Khmer Rouge. Above all, it wishes to be rid of both because it does not want communism--whether pro-Soviet or pro-Chinese. That is the essence of the problem and any solution which does not take this into consideration can only lead to new tragedies.

## PRK HEALTH MINISTER VISIT TO FRANCE NOTED

Paris LE MONDE in French 13 Oct 84 p 5

[Text] Kampuchea is recovering. Yet its convalescence is still very fragile, 6 years after the Vietnamese troops, still there in large numbers, removed the Khmer Rouge from power. A relapse could occur at any time. This is all the more true because the covert war situation in certain provinces by guerrillas of Democratic Kampuchea is, in part, an obstacle to this recovery. Moreover, the smallest change in the weather, such as the catastrophic floods this year, immediately endangers the very precarious food balance.

Dr Nouth Savoen, deputy minister of health of the People's Republic of Kampuchea, presented this clinical diagnosis during a 2-week private visit to France, at the invitation of the Association for the Development of Relations with Kampuchea (LE MONDE of 9 October 1984). This 50-year old pediatrician, who lived through the Pol Pot period in Kampuchea, is one of the best qualified officials for this mission since he lived in France for several years prior to 1972.

"My government," he told us, "was interested in my returning to France. Our policy is to have many friends." Bearer of a "message of friendship" from the Kampuchean authorities to France, the deputy minister specified that Phnom-Penh's desire is "to establish, if possible, at least semi-official relations, semi-official ties" with Paris. "We want to begin to renew the ties between the two peoples," he added. Mr Hun Sen, Kampuchean minister of foreign affairs, already met in July with a delegation of French members of parliament, at the opening in Paris of an information bureau (no diplomatic status) of the People's Kampuchea.

Although he regretted the French Government's refusal to recognize the Phnom-Penh government, Mr Nouth Savoen specified that Kampuchea still hopes that "France will always remain impartial to the two parties." "We simply ask Paris," he added, "to show its presence in Kampuchea," and his stay "moves in this direction."

The deputy minister did not indicate how he intended to give his message to French authorities.

On domestic matters, the minister specified that the flooding of the Mekong has seriously affected about 15 provinces. The Phnom-Penh government was again obliged to appeal for foreign aid to make up for the shortage of 300,000 tons of rice. Moreover, 10,000 families were left homeless. Kampuchea was hard hit by the drought in 1983.

In his opinion, the sanitary situation has improved considerably over the year. Nevertheless, this country faces scourges like tuberculosis--which affects 500,000 people--parasitical tropical diseases and malaria outbreaks. The deputy minister of health hopes to obtain supplementary aid for this sector from French nongovernmental humanitarian organizations.

9A79

CSO: 4219/4

## PROBLEMS OF MALNUTRITION, LACK OF MEDICINE CONTINUE

Frankfurt/Main FRANKFURTER ALLGEMEINE ZEITUNG in German 4 Sep 84 p 9

[Article by Erhard Maubold: "Many Children Again After Years of Terror"]

[Cont.] Hunger fears in September. Fish, fruit, manioc leaves and vegetables—there is again enough to eat in Kampuchea. Nevertheless, the Danish pediatrician at the hospital in Kampong Chhnang loses two of his little patients every week. And that, as he says, "is only the tip of the iceberg." Many of the 1- to 2-year-old children, the ones most often affected, die at home. Often the parents put off the trip to the hospital too long, and traditional medicine is frequently ineffective. There is more malnutrition than there was 2 or 3 years ago, thinks Dr Ingvar Hedenborg, who is serving for a second time in the city on the great Tonle Sap.

Malnutrition despite adequate supplies of foodstuffs? The experts of the United Nations International Children's Emergency Fund (UNICEF) are also of the opinion that the reason has a lot to do with Kampuchean tradition. Until their teeth are developed, that is, until they are 2 years old, the children are almost exclusively breast-fed. That is adequate until the age of 6 months, and until then there are no apparent differences in comparison with other developing countries. After that, however, there is malnutrition, a slowdown in growth and permanent growth impairment. Although mother's milk and a little rice no longer provide adequate nutrients, Kampuchean mothers wait until their children have teeth before giving them fish and meat. The problem is worsened by inadequate hygiene and numerous infectious diseases, especially intestinal diseases.

The fact that Kampuchean women have more children than women in many developed countries is ultimately related to the dismal past under Pol Pot. Following the war and Stone Age communism, the country on the Mekong is showing a remarkable increase in births. So great is the "surplus of women" that many now have two wives. In one province near the capital, 70 percent of the women lost their husbands in the years of terror under the Red Khmer. They are now remarrying, and establishing families so that life will return to "normal." UN experts estimate the birth rate at 60 per 1,000 and population growth at 2.5 percent. But infant mortality is also higher than in other developing countries. And when the women, already weakened through the effects of the war, have children with little time between births and also have to provide

for subsistence (because the men are no longer there), that often means even less milk and even less care for the newborn. Infections during birth become more frequent and there is great demand for the services of midwives.

Three studies of children 12 years of age and younger carried out by UNICEF experts in five provinces and in Phnom Penh verified the practical experience that the effects of nourishment and calories have been overestimated but the results of diseases such as diarrhea, measles and chest infections have been underestimated. Food shortages can be observed in Bangladesh, Thailand or Indonesia, but not in Kampuchea. The problem there is the case of small children is the improper diet in combination with diseases. That is also stated by the Food and Agriculture Organization (FAO) in its report from last spring. According to this report, many children are on the verge of malnutrition. Three to five percent are in a "very critical state of malnutrition, and another 25 percent are malnourished."

Dominant among the diseases of adults are malaria (more and more often the frequently say Western experts. Progress could be made, however, if it were possible to give development aid, perhaps for the establishment of their own pharmaceuticals industry, for example. Development aid would mainly be needed because the health problem is only partially a result of the Pol Pot years. It could largely be solved through education, training, improved water supplies and a social infrastructure. That, however, is no longer disaster aid but development aid, which the West does not give. It does not wish to finance the occupation of the country by Vietnam, and that is understandable. That means, of course, that structural and long-term effective improvements in public health are not possible and that the Kampucheans will become more and more dependent. "If we stop our aid, they will have nothing. Already there is often not enough for the provinces," say the representatives of an international aid organization. Their greatest problem, they say, is the fine line that must be walked everyday between humanitarian aid and developmental aid. Exercise books for schools are an example. Should they be considered humanitarian aid? In one year they are, the next year they are not. That makes any planning difficult.

9746

CSO: 3620/442



ECONOMIC CONDITIONS, BLACK MARKET ON BORDER DISCUSSED

Bangkok LAK THAI in Thai 6 Sep 84 pp 44-45

[Article: "Illegal Business Flourishes on the Banks of the Mekong"]

[Text] Early this July there was a small news item about Lao soldiers capturing Thai citizens who were fishing in the middle of the Mekong River. This remained a small news item because there was a big story about the border in this area when Laos dared to seize Thai villages in Uttaradit. The news of Thai people being captured was not out of the ordinary and the same thing happened to the Thai people who were involved in "illegal business" across the river.

A.S. officials [Thahan Phran] in Khemmarat District said that there were both Thai and Lao who were merchants in this secret trade. If we see them we arrest them, and over there they do the same. It has been like this for some time. It is difficult to block because the forest along the banks of the Mekong is still a place where one can avoid the detection of the officials. Also some of our officials are their accomplices.

I am providing this background in order to lead up to the black market, which is a place where a number of Thai and Lao villagers sell merchandise. It is illegal and affects the security of the nation, but the villagers just told us that "the money is good so it is worth the risk."

First, I should say something about the customers who use the black market. The important customers are the Lao villagers or the Ai Nong [Lao compatriots]. Most of the foreigners are interested in buying Thai goods. The merchants have to talk with them and "sao sai" the country of the Ai Nong. They do not want to respond disrespectfully to the propaganda of the Ai Nong but just present the facts so the people can see them.

A friend of ours from Ban Khoksantha Village (Chanuban District) overheard a young man saying he would like a Lao girl. When he crossed over to the other side he took some colorful towels (terry cloth) with him. Two towels got him two girls. Some people might think this was just a joke, but it is not far from the truth.

The victory of the Lao Revolutionary People's Party on 2 December 1975 caused the economy of Laos to stop moving except to collapse to zero value.

Vientiane City which was flourishing and splendid has become a desolate place. The revolutionary soldiers of the hillside Lao (from the Lao highlands) came in and destroyed the private workplaces completely. For this reason after 7 years of Lao socialism it can be concluded that they still cannot take care of the 3.9 million Lao so that they are well fed and warmly dressed (as announced by the Lao government in 1984).

This February a lady reporter from a daily newspaper went to visit Laos and returned to report that there was a constant background of complaining that food was scarce. She heard it along the streets of Vientiane when Kayson Phomviharn was prime minister. Therefore the statement of a Thai village that the Lao people along the Mekong generally use Thai money and goods is not a great exaggeration.

A middle-aged APhP member [self-defense and development volunteer] of Ban Nawaeng Village (Khemmarat District) related that: we had to take regular turns at inspection in the village because our village was next to the Mekong. Opposite Ban Nawaeng Village on the other shore was Ban Thaluang Village in Laos. In the evening villagers from Ban Thaluang Village often sneaked across to our shore. When we questioned them, they said they would cross to buy things in the market. We set a time for them to come and buy. When they returned we checked to see what they would buy. If they bought a great deal we would not let them take it back. Sometimes we reduced the restrictions because we felt sorry for them now that the system [of government] had changed. We went for visits often. There was a deep affection and understanding between us.

Having written this makes me think of the article in the list of things the army wrote about the people which concerned the problem along the Thai-Lao border. The first thing the article mentioned was that "... the Lao and Thai have been closely related for some time. Their languages are almost the same. They believe in the same religion. It is said that the Thai and the Lao are of the same Thai race."

In the villages along the banks of the Mekong there is still a market day or a moving supermarket which attracts villagers in great numbers. For example, at Khemmarat there is a rotating market day as follows: Monday in front of the Khemmarat District Post Office, Tuesday it moves to Ban Natan Village about 25 km from Khemmarat, Wednesday it returns along the Khemmarat-Amnat road and sets up at Ban Nongphu Village, Thursday it turns back along the road skirting the border and proceeds to Ban Songkhon (Phosai Subdistrict) about 10 km from Ban Natan Village, Friday it moves to the Phosai District market, Saturday it returns to Ban Nacharoen on the Khemmarat-Trakanphutphon road, and Sunday it travels another 10 km to Ban Huana Village on the same road.

Each week it returns to the various villages according to the routine. In addition to the Thai villagers following the black market, there are also foreigners or Ai Nong who sneak across the Mekong to buy and sell international goods. The Lao know where the market is going to be each day. It is only on Friday, Saturday and Sunday that the Lao do not come, and it is because the

market locations are too far from the Mekong. Especially at Ban Natan Village, which is on the Mekong, a great many Lao cross over. Opposite Ban Natan Village is Ban Paktaphan Village in Laos where it is said Thai and Lao merchants exchange goods.

This sort of moving market is not confined to Khemmarat. In Chanuman District a similar market has started up and the Lao are crossing over to buy there also. These are open markets which the Lao living in desolate areas come to. The secret, closed markets are just for merchants who buy and sell among themselves. The merchants are no one else but the men and women of the villages along the Mekong.

The goods which the Ai Nong want consist of clothing and tools necessary for a trade. The goods which the Thai villagers want include tamarinds, makneng, old currency etc, pigs, chickens, cattle, buffalo and gold. For example, ornamental gold which costs 2000 per baht [15 grams] might cost 4000 or 5000 per baht in Thailand. Another example is cattle and buffalo. These have been sold for some time. In the past cattle and buffalo from Laos sold for 400-500 baht each. The Thai merchants had been reselling them for a profit of 3000-5000 baht each. Later, the Lao merchants learned of this and raised the price to 2000 baht. This tended to make the Thai merchants afraid of taking the chance; for if they slipped some across to sell, they would not make enough profit to cover the fine or jail terms if they were caught.

Some people might wonder what makneng is. Makneng is a kind of medicinal herb which is known as an ingredient of a medicine for stomach ache. Its price is 300-400 baht per kg in Thai markets (Takheng), but it can be bought in Laos for about 50-100 baht per kg. This has been describing the market of the villagers, of which makneng is a part. The market for the influential people includes milled rice, oil, and items of modern technology which are brought across in return for items from the Lao side such as thon wood and phaen wood which the Lao forests still have in abundance.

As a consequence it did not seem strange when a reporter friend who visited Vientiane with the lady reporter told me that there were only Thai goods in the stores: from flavor enhancers (paengnua), cigarettes (yasong) to large items such as radios or televisions. The merchants were Chinese and Vietnamese who had formerly been in trade but could not make much money in trade under Lao government laws because the government collected very high taxes. So some looked for ways to avoid using a store sign. Generally they avoid this by being soemsuai [beauty] shops, but most people recognize it as a store selling goods. In the Lao black market the Thai baht is widespread.

In speaking about Thai officials and whether they arrest merchants involved in this secret trade or not, a villager of the Chanuman section admitted that this group bribed AS [Thahan Phran] officials in order to be able to bring more goods across conveniently but that this method could not be used with all officials in all units. Even the Lao officials are strict. Many Thai villagers have been arrested because of trade across the Mekong.

Recently, in Namkam Precinct (Thatuphanom District) there was a disagreement between a police official and some villagers which arose when some members of

the ThSPCh [Volunteer Defense Corps] who were patrolling the border arrested a black market merchant together with a policeman. As soon as the policeman was arrested, he began to shout that the villagers were harassing him because he had been in charge when some villagers were arrested for trading in smuggled goods. He finally took the trouble of going to see an assemblyman of the Kitsangkhom [Social Action] Party from Nakhon Phanom. But the villagers were unanimous in opposing this bad influence and finally the policeman was punished. As for the assemblyman, who is good at getting in trouble, he will probably lose a great deal of support in the next election.

The legend of the black market on the banks of the Mekong will be talked about for a long time after there is no way for the people on the two sides to get back and forth as in the past. The mist curtains of the war along the Thai-Lao border in the north is still evident in the south like a low hanging rain cloud. The weather was overcast on the day I stood next to the Mekong. That morning at the Khemmarat District market it got darker and darker, as the Lao government is not free.

The life of the Ai Nong, no matter whether it is during the period of rightist, neutralist or leftist control, is very hard. It will be backward as in the past and will depend for tools and food on the Thai side. I do not believe that the Lao living along the banks of the Mekong will forget the taste of the hot, red, curried rice which the Thai gave them.

Except for those of one group who act as "servant dogs" of another nation. They are not Ai Nong.

8149

CSO: 4207/3

## POLICE MAJOR DEFECTS

Bangkok DAILY NEWS in Thai 2 Sep 84 p 20

[Text] At 1800 hours on 31 August Mr Suphat Phothongkham, the head official of Chiang Khan District, Loei Province received a report that a Lao police major together with his 4 children had fled to Thailand at Ban Huai Sok Village, Village No 3, Bukhom Precinct, Chiang Khan District. At present he is still at the village accompanied by Pol Col Keo Thicharoensuan, [The head district official] went to question the Lao policeman and his children mentioned in the report. His name was Pol Maj Bunmi Chanthuang, aged 50. He was a policeman stationed at Sanakham District, Vientiane Province, Laos. He was accompanied by his 4 children: Miss Prani, 18, who was in her last year of nurse's training; Miss Prida, 17, who was in secondary school; Miss Ratri, 14, and Master Khamsing, 11, who were in primary school.

Police Major Bunmi said that before he fled to Thailand he went to pick up his children and wife in Vientiane City but apparently his wife was out on business. So he took his 4 children, left the house, got in a motorboat and went to Don Huang on the Thai shore. Then he ordered the man in the rear to stop and he helped his 4 children to jump onto the bank. Police Major Bunmi said that the reason he fled was that he was not satisfied with the administration in Laos. So he took his his children and fled in order to pass through to a third country. The head district official detained Police Major Bunmi and his 4 children for processing.

8149

CSO: 4207/3

## MALACCA BANS CHINESE-LANGUAGE PUBLICATIONS BY CHINESE SCHOOLS

## Publications Banned

Belagor SIN CHEW JIT POH MALAYSIA in Chinese 22 Sep 84 p 2

[Text] The Malacca State Bureau of Education recently banned some Chinese-language publications of Chinese schools on grounds of "leading toward racial polarization."

It is learned that Holy Mother Girls' Middle School in Malacca City is the first to have received an official letter from the Bureau of Education, requesting that the publication of its Chinese Language Society's annual, "Roots," be stopped.

In its letter dated 5 September, the authorities instructed the said society to suspend all Chinese-language publications in order to forestall the emergence of racial polarization problems.

According to report, Holy Mother Girls' Middle School has been planning to produce its annual toward the end of this year and has sent some of the manuscripts to a local printing office.

After receiving the notice from the education bureau, the school has notified the printers to suspend setting the material to type until further notice.

It is also learned that the school authorities have appealed to the educational authorities to permit the student publications, but their appeal has been turned down.

Under the guidance of their teachers, the students of the Chinese Language Society in charge of publications have decided to abide by the official order.

## Various Reactions to Ban

Belagor SIN CHEW JIT POH MALAYSIA in Chinese 23 Sep 84 p 2

[Text] Chinese educational circles throughout Malacca State today voice (over) the government ban of Chinese-language publications of Chinese schools.



They maintained that it is both naive and ridiculous to use "racial polarization" as the reason for the ban against publications by the Chinese Language Society of a Chinese school.

Nevertheless, they called on members of the society to face the Education Bureau prohibition squarely, because this would most seriously affect the development of Chinese-language education.

Commenting on the ban, Sim Bo Hee, president of All-Malaysia Chinese Teachers Federation, said that the Education Bureau seems to be moving toward nationalism which is bound to evoke a strong reaction among the people.

As a matter of fact, Mr Sim said, the purpose of publishing Chinese-language literature is to provide students with material to learn and research on Chinese-language education.

"Theoretically, the authorities concerned should encourage the students, and not restrict them. If they forbid the Chinese Language Society to issue their publications, where is the democratic spirit bestowed by our national constitution?" Mr Sim argued.

Earlier, this paper has reported that "Roots," the annual publication of Baba, Mother Girls' Middle School's Chinese Language Society has been banned by the authorities on grounds of "leading toward racial polarization."

It is also learned that other Chinese-language publications of the Chinese Language Society will also meet with the same fate at the hands of the education authorities.

In another development, Lim Kit Siang, secretary general of the Democratic Action Party (DAP) today called on Education Minister Datuk Abdulah Wahid to instruct the Malacca State Education Bureau to rescind forthwith the decision banning Chinese-language publications of Chinese schools.

Explaining his move in a news conference held at his party headquarters, Mr Lim said that the government ban will only worsen the simmering issue of racial polarization.

He said that according to the thinking and logic of the Malacca Education Bureau, Chinese language should not be taught in Chinese schools and Chinese primary schools should also be closed down. This way of doing things is very different from the recent remark by Mr Ibrahim, political secretary to the minister of agriculture, who said that sending Chinese children to Chinese schools would lead to racial polarization.

Mr Lim said that he was shocked by the decision of the Education Bureau. "This is because the authorities concerned have no fundamental notion of the danger of racial polarization," he said.

Mr Lim called on the education minister to convoke a national conference of teachers, parents, education bureaus and the general public to discuss the issue of racial polarization, and draw up an appropriate formula.

This problem cannot be solved on the basis of the racial concept of certain Education Bureau officials, because, in effect, their policy actions would worsen racial polarization.

#### Kin Kwok's Comment

Selangor KIN KWOK DAILY NEWS in Chinese 23 Sep 84 p 2

#### [Commentary]

[Text] Recently the Malacca State Education Bureau instructed the local Holy Mother Girls' Middle School to halt the publication of the school annual, because it would lead to racial polarization.

This is an alarm bell to the use of the Chinese language and from now on anything which leads to racial polarization is to be attributed to the Chinese language. Not only should we pay close attention to but also feel furious against the unreasonable move of the Malacca Education Bureau, whose real motive is to prohibit students of Chinese students from using the Chinese language. We cannot indulgently let this sinister plot to eradicate our mother tongue pass by.

We do not know whether the Malacca Education Bureau acted on instruction of the Education Ministry or whether some of its officials wanted to find favor in the eyes of their superiors in issuing the ban of Chinese-language publications by the Chinese Language Society.

No matter its source, we believe that the prohibition first of all violates the constitution which stipulates that all nationalities may freely use their own mother tongues in their daily life. Therefore, this action should be censured.

At present, racial polarization has become a favorite topic of discussion. Many government officials may exploit this topic as a pretext to ban the use of the Chinese language. Today it's a school annual publication, and later on the use of Chinese may be banned from all signboards and in other fields under the same pretext.

We have pointed out previously that racial polarization does not exist as of today, but it has been there for a long time in the past, except that at the time nobody dared to breach this sensitive subject. Now that the issue has been brought up by the authorities concerned, let us discuss it openly.

We can bluntly say that the serious emergence of racial polarization has been single-handedly caused by the authorities. Therefore, they cannot put the blame on any particular person or find fault with the languages of various nationalities. To resolve or minimize racial polarization, we say that "let him who tied the bell on the tiger take it off"--whoever started the trouble should end it. The government ought to be courageous enough to admit that racial discrimination exists in various fields in the implementation of government policies. For example, in allocating aid, the government does differentiate the nonbumiputras from the bumiputras in its criterion. If such is the way to devise national policies and administer plans, is it any wonder that racial polarization crops up?

We have always stressed that our national wealth belongs to the entire people and that in apportioning things, the government must act equally and fairly to all nationalities without bias or prejudice to any particular side.

However, the government does not start out from this point in solving the problem of racial polarization; it has even adopted certain measures in various fields which widen the polarization, such as the ban against the publication of an annual of the Chinese Language Society of Holy Mother Girls' Middle School. This move not only fails to resolve polarization but worsens the problem as well.

In this connection, we would like to advise officials of the Malacca State Education Bureau to revoke their order for the sake of harmonious living among all nationalities, and let the school concerned carry on with its plan of publishing its annual for 1984. We also wish to call on all Chinese to pay close attention to any possible chain reaction to this incident in the days to come.

#### Sin Chew's Comment

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 25 Sep 84 p 28

[Editorial: "From the Banning of Chinese-Language Publications..."]

[Text] On grounds of "leading toward racial polarization," Malacca Education Bureau recently forbade a number of national-type secondary schools to produce Chinese-language publications, which evoked a strong reaction among Chinese education and political circles. They contended that the reason given by the authorities was shallow and naïve. They claimed that the authorities were merely making the situation worse, like adding fuel to the fire.

As pointed out by Sim Bo Hoo, president of All-Malaysia Chinese Teachers Federation, the Chinese Language Society's aim in producing Chinese-language journals is to provide students with suitable material to study their own mother tongue. The authorities should encourage such literature, instead of curbing them.

In all fairness, the study of Chinese outside of the classrooms and the publishing of Chinese-language material by students of national-type secondary schools coincide with the fundamental rights stipulated in our national constitution, and at the same time help strengthen and improve the students' spirit of academic research. On this principle, the government should give them support and encouragement.

Chinese language societies of national-type high schools are the students' internal organizations operating within the school grounds. There is no doubt whatever about their legality, and we believe that the school authorities, especially Chinese-language teachers, pay attention to and supervise the activities of their respective Chinese language societies. So how can such beneficial and sensible activities create racial polarization? We hope that Malacca Education Bureau will make a reexamination of this incident.

We also hope that national-type high schools in Malacca and the Chinese Language Society which have been affected by the official ban to produce Chinese-language publications will send a delegation to meet with the deputy minister of education to explain the whole situation and fight for their due rights.

Fundamentally, we do not wish to see a crisis in racial polarization, and we sincerely hope that our government's battle for racial harmony and solidarity all these years will bear fruit in the near future in order to pave the way for our common progress and prosperity.

However, it is unfortunate that the signboard incident, the problem of forced study of the Malay script and the burst of extreme views have seriously disturbed Chinese society, causing deep worry and restlessness among its members.

Our government is an elected government. Judging by the votes gained by the ruling party, the policies pursued by the government basically enjoy the support of the majority of the people.

However, we have noticed a series of events which have made ethnic-Chinese elements feel confused and apprehensive. They are often at a loss whether a certain measure represents a government policy or merely a willful or inadvertent deviation by certain officials in implementing a government policy.

We hold that the highest authorities of our government should seriously deal with these issues. If certain officials concerned fail to abide by the regulations in administering government policies, they should be appropriately disciplined and sanctioned.

In point of fact, Chinese national and state assemblymen within the National Front have been hopelessly vacillating in coping with this series of problems in the past. We hope that these representatives brace up and face the realities, and help the government and Chinese society solve the problems with a positive attitude, so that they can squarely cope with the heavy pressure coming from the voters at a general election.

#### Deputy Education Minister to Investigate

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 25 Sep 84 p 1

[Text] The Ministry of Education will investigate the incident concerning the banning of Chinese-language publications of a national-style middle school in Malacca.

Deputy Education Minister Paduka Datin Rosemary Chong said today that she is aware of this occurrence and that she will investigate whether or not it was caused by a directive independently issued by the Malacca State Education Bureau.

Rosemary Chong was answering a question put to her while making an inspection tour of a national-type Confucius High School in Kuala Lumpur.

She said she will make a statement in a day or two.

According to an exclusive report of this paper on 21 September, the annual "Roots" of the Chinese Language Society of Malacca Holy Mother Girls' Middle School was banned by the Malacca Education Bureau on grounds of "leading toward racial polarization."

Subsequently, a number of Chinese education and political circles across the land contended that the reason given by the government was naive and requested that the ban be revoked.

9300

CSO: 4205/4

# HOLDING COMPANY'S SUCCESSFUL FUND-RAISING DRIVE LAUDED

Selangor KIN KOK DAILY NEWS in Chinese 22 Sep 84 p 2

[Commentary: "C of C Holding Co Shoulders Heavy Responsibilities")

[Text] The 1-month long vigorous fund-raising drive of the Chinese Chamber of Commerce Holding Company [C of C Holding Co] has achieved a striking and most heartening success.

This time the holding company openly floated 49,404,000 common shares at M\$1 per share. Purchase pledges reached 36,832,000 shares, an oversubscription of 7,429,000 shares. The number of shareholders totalled 25,089 persons or units.

The shares-selling drive was launched in all states, with Selangor area and Sabah State achieving the best and worst results respectively. Sabah subscribed 394,000 shares only. Kit Hua Holding Co bought the largest number of the C of C Holding Co's shares.

In an appreciation dinner at the conclusion of the fund-raising campaign, Tan Sri Wee Euan Ping, board chairman of C of C Holding Co, sincerely expressed his gratification over the success of attaining the M\$50 million target at a time of economic recession. He said that the result achieved is a reflection of the concern about and support to the C of C Holding Co shown by Chinese society.

Mr Wee added that the smooth conclusion of the difficult fund-raising drive has lifted a heavy burden off the shoulders of the board of directors. However, this by no means indicates that the goal has been achieved; on the contrary, this is just the beginning and the road ahead may be full of more twists and turns. Leaders of the holding company must strive harder to fulfill their heavy responsibilities.

The C of C Holding Co was founded by the Associated Chambers of Commerce and Industry of Malaysia, therefore its aims and responsibilities are somewhat different from other holding companies. We may also say that this holding company is the highest and ultimate organization to lead the economy of Chinese companies in Malaysia. In terms of responsibility, it becomes a powerful economic force to lead the economic development of the ethnic-Chinese



compatriots. Apart from carrying out its commercial activities to make money, the C of C Holding Co carries a kind of nationalistic economic mission. Consequently, it must exercise extreme caution in every commercial investment it plans to undertake.

What gratifies us is that the organization of its board of directors is different from any other holding company. The board is composed of business tycoons who have achieved brilliant successes in our business world and who possess rich commercial knowledge and experience in commercial investment. We have full confidence in their leadership.

However, in the prevailing situation, many Chinese holding companies often do not obtain direct government support in their commercial investment activities. Therefore, the directors of C of C Holding Co will have to rely on their own effort and cooperation in leading the company in the right, strong direction.

Plantation and manufacturing represent the two industries which are in vogue in our country at the present time. There should be no doubt that the C of C Holding Co will show some interest in them. However, it should also energetically develop trade undertakings, particularly foreign trade, because through them it can help Malaysia's small industries by marketing their products to foreign countries. This will not only aid our small-scale industries' development, but also promote our country's foreign trade and bring in more wealth.

9300

CSO: 4205/4

LIM KIT SIANG URGES JAPAN TO ABANDON PROTECTIONISM

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 21 Sep 84 p 4

[Text] Lim Kit Siang, leader of the opposition party, urged Japan to abrogate her protectionist barrier in order to correct the trade imbalance between Japan and Malaysia.

He estimated that Malaysia's trade deficit with Japan will reach M\$3.6 billion.

Mr Lim is secretary general of the Democratic Action Party [DAP] and concurrently a member of Parliament representing Malacca Municipality. He expressed his urge at a party welcoming a visiting Japanese Democratic-Socialist delegation last night.

He pointed out that the trade gap between Malaysia and Japan jumped from \$775 million in 1980 to \$2 billion in 1982, including Malaysia's exports of primary oils and gas to Japan.

He maintained that in order to establish a fair and reasonable bilateral relationship, Japan ought to abandon her protectionism.

He said that among Malaysia's commodities exported to Japan, primary oils, timber, tin and mineral ores occupy 84 percent, but Japan has not been buying our manufactured products.

Mr Lim criticized Japan for adopting an open trade policy in her highly-controlled market, which only benefits her principle trading partner, the United States. Malaysia and other developing countries simply get no advantage at all.

Citing an example, he said that Japan charges 1 percent import duty to Malaysia's palm oil exports, while other competing vegetable oils are exempted from import tax; in addition, Japan levies a relatively high import duty to Malaysia's plywood, as compared with other countries'.

He also criticized the Japanese government for not permitting Malaysian Airways planes to make a transit landing on their way to America.

Mr Lim suggested that Malaysia's huge unfavorable balance of trade with Japan can be narrowed if Japan would import more Malaysian manufactured products.

## BRIEFS

**NEW NATURAL GAS FIND--**PETRONAS [National Petroleum Corporation] adviser, Tun Hussein Onn, disclosed on 20 October that a new natural gas reserve has been discovered in the Sunda Platform, off the Kelantan State. The exploratory work had been undertaken by the National Petroleum Corporation and has shown positive results and that the volume has yet to be determined. However, he declined to disclose when the gas will be tapped or whether it will be profitable to do so. He also confirmed the discovery of gas by PETRONAS off the Kedah State. [Summary] [Kuala Lumpur Domestic Service in English 1130 GMT 20 Oct 84 BK]

**ASIA'S ROLE IN WORLD TRADE--**The minister of trade and industry, Tengku Razaleigh Hamzah, has outlined a 7-point program to enhance Asia's role in world trade in the next 10 years. Addressing a symposium on financial and business corporations in Asia and the Pacific in Tokyo, he said that the growth in world trade is the key to Asia's survival. He said trade being the dominant source of foreign exchange provided the principal transmission mechanism through which growth in the Asian nations would bring about higher living standards. Speaking before 250 top officials and business executives from Asia-Pacific countries, Tengku Razaleigh also proposed the setting up of a Pacific Basin task force that would actively promote greater Pacific trade and industry within the World Bank, the IMF, and especially the GATT. He said the program for action rests on the premise that Asian nations should strive not just to raise their level of trade but to increase their market share in the process. Tengku Razaleigh earlier held talks with his Japanese counterpart, Mr Hikosaburo Okonogi, and the finance minister, Noboru Takeshita, on Malaysia-Japan cooperation. [Text] [Kuala Lumpur Domestic Service in English 1130 GMT 1 Nov 84 BK]

**ARMY RESERVE CORPS TO EXPAND--**The government is carrying out a study to expand the Army Reserve Corps to strengthen the defense capability of the country. The deputy defense minister, Datuk Abang Abu Bakar Mustafa, told the Dewan Rakyat [House of Representatives] the expansion program will be implemented when the study is completed. However, he did not say how long the study would take. He explained the recruitment exercise for the corps was put in abeyance when the armed forces embarked on its expansion program following the fall of South Vietnam to the communists in the 1970's. [Excerpt] [Kuala Lumpur Domestic Service in English 1130 GMT 1 Nov 84 BK]

REPORT ON BANK LOAN AFFAIR--The interim report on the Bumiputera Malaysia Finance [BMF] loan affair was released in Kuala Lumpur today. Finance Minister Encik Daim Zainuddin, in making the report public, said BMF had granted about 1,842 million ringgit out of its 2.4 billion ringgit total loan to the Hong Kong-based Carrian group and Eda Investment companies. According to the committee of inquiry probing into the loan affair, foundations for most of the 2.4 billion ringgit loan by BMF were obtained from Bank Bumiputera branches. The report said although EMF generated most of the required fundings from local sources initially, it later had to rely heavily on Bank Bumiputera's branches for its lending activities. Encik Daim said the BMF committee of inquiry will continue to interview witnesses and examine documents in possession of the Hong Kong authorities to complete its report. The full report will be submitted only after these interviews are completed and the documents obtained from Hong Kong. The finance minister reiterated that the government will take action, including court action, against those found involved in any irregularities, fraud or breach of trust in the BMF loan affair. [Text] [Kuala Lumpur Domestic Service in English 1130 GMT 2 Nov 84 BK]

CSO: 4200/127

LABOR GOVERNMENT HAS 'FEWER HANGUPS' ON INTERVENTION

Christchurch THE PRESS in English 28 Sep 84 p 13

[Text] Wellington--The Labour Government had fewer "hang-ups" about intervention in the economy than its National predecessor, said Mr C. D. Matthewson (Lab., Dunedin West) in his maiden speech in Parliament.

"The problems with intervention in the economy demonstrated by the previous Government were not caused because of intervention as such, but rather because the actions made were ill-judged, inconsistent and not founded on a rational human set of values," he said.

"The Labour Party as a whole, and thus this Government, has fewer hang-ups about proper and considered intervention in the market than our predecessors.

"We realise that this has nothing whatever to do with real individual freedom, and nothing whatever to do with the openness or otherwise of government.

"What we do care about is the common good, a just society," he said.

The social welfare system, the provision of free education and health care were all interventions, he said.

"Of course, we need enterprising individuals in this country, but the link between that and the idea of minimum Government involvement is generally assumed by those who can see personal gain from a free rein.

"Freedom from intervention sounds nice but it leads inevitably to the privileged getting stronger and the rest weaker."

Mr Matthewson called for intervention in his region, Otago. The population drift to the north did not help anyone, he said.

"We have a strong case both in the country's interest and on the grounds of fairness to receive support for the continued viability of our region," he said.

Just as the Government would intervene for a disadvantaged individual it should intervene on behalf of a disadvantaged region.

## FRENCH SEE LANGE AS INDEPENDENCE MEDIATOR

Wellington THE EVENING POST in English 28 Sep 84 p 6

[Text]

NEW YORK, Sept 26 (PA). — French Foreign Minister Claude Cheysson today invited the Prime Minister, Mr Lange, to lead a South Pacific Forum group to Paris to mediate independence for New Caledonia.

Mr Lange told reporters of the invitation after the two men met in New York.

The French Foreign Minister conceded that the timetable could be accelerated to bring independence before 1989, he said.

The Prime Minister said he intended first to convene the forum group in Wellington "or some other South Pacific capital." That meeting, which would precede the visit to Paris, would have to be held within the next two months to be effective, he said.

The visit to Paris would not take place before Christmas.

"I propose during the course of this tour to give further details of what my proposals are for pursuing that initiative," Mr Lange said.

## Dialogue

"I put to him that the

forum had for the first time made a call not just on France but on the groups which made up the independence movements within New Caledonia, that the dialogue should be constructive, that we should seek consultation — not confrontation — and that the matter should be resolved between Noumea and Paris within a shorter time than 1989.

"He acknowledged that there was a responsible handling of that situation by the forum, and he confirmed the commitment of France to New Caledonian independence and he conceded the possibility that the timetable should be shortened."

Mr Lange said he wanted the meeting of representatives of the groups that made up the independence movement in New Caledonia "to give them our view as to how they might enhance their programme for independence and to urge them to keep up constructive negotiation with the French rather than to withdraw and to be seen to be in conflict."

Mr Lange and Mr Cheysson also discussed French nuclear testing in the South Pacific.

"I sought from him an indication as to the date as to when such testing would cease," Mr Lange said. "He said no date had ever been given."

"He spoke of the need, which he acknowledged, for the perfection of nuclear weaponry to end, but he spoke also of his country's conviction that it ought to have an independent nuclear deterrent within the Nato alliance and that for the foreseeable future there would therefore be the testing of nuclear weaponry."

"I confirmed the opposition of the Government and the people of New Zealand to that testing and said that the scientific mission had not allayed the long-term fears of New Zealanders."

Mr Lange earlier said yesterday that the Leader of the Opposition, Sir Robert Muldoon, had claimed to have been given a date for the end of French tests in the South Pacific, but that he had been unable to get it out of him (see box left).

"Suffice it to say that at this stage in our relationship with the French Government, we have not been privy to that hitherto undisclosed secret."



## PHILIPPINES

### CAGAYAN DE ORO, OTHER PROVINCIAL NPA ENCOUNTERS REPORTED

Manila PHILIPPINES DAILY EXPRESS in English 15 Oct 84 pp 1, 6

[Text] CAGAYAN DE ORO CITY--Some 50 New People's Army rebels reportedly out to attack San Francisco town in Surigao del Norte were ambushed by government troopers Friday night.

Five of the rebels, one of them a commander, were slain. Several others were wounded. Documents recovered from the body of the rebel leader, identified as Commander Bert, confirmed the plan to attack the town.

PC provincial commander Lt. Col. Francisco Tagum said the rebels were to seize the town hall and raid the police armory.

Similar attacks were carried out on two other towns by NPA rebels the past two weeks. These were in Paganaan in Surigao del Norte where some 80 rebels seized the town hall, killing one policeman and a civilian, and that of La Paz, Agusan del Sur where some 200 rebels raided the town.

TAGUM said intelligence operatives got wind of the planned attack on San Francisco, prompting him to dispatch a team under Capt. Cenon Balina to seek out the NPA rebels who were massing for the attack in barangay Diaz, three kilometers from the town proper.

A 30-minute gunbattle ensued, during which two of the NPA rebels were killed. The NPAs withdrew but were pursued by the soldiers.

The soldiers caught up with the rebels some two hours later and another brief exchange of fire took place, forcing the rebels to split in small groups, leaving behind three of their seriously wounded companions. The three died on the way to the hospital.

BUTUAN CITY--One army soldier and one New People's Army rebel were killed while another soldier and eight civilians were wounded in two ambushes staged Saturday by the dissidents in a barangay here and in Tubod, Surigao del Norte.

The slain soldier was identified Pfc Rulo Tomi of the 38th Infantry Battalion. His wounded colleague was identified as Pfc. Eduardo Agregrado.

The soldiers and the civilians were riding in a Tamaraw jeepney bound for this city when they were ambushed by about 60 NPA guerillas in barangay Tabon-Tabon, 16 kms. away from here.

ASLINDIO Lanaylahay, 42, owner of the vehicle, said he and the other civilian passengers were on their way to the city when, upon reaching barangay Kaliganan, the two soldiers hitched a ride.

The vehicle was passing through Tabon-Tabon when it was met by a hail of automatic rifle fire from the rebels who were deployed on both sides of the road.

In the other incident, one NPA member was killed and four of his comrades wounded when they tried to ambush an army patrol in barangay Payapag, Tubod, Sarigao del Norte.

The identities of the slain and wounded guerillas were not identified in the military report received here Sunday.

BAOUBOD CITY--Three persons, including a CIS agent and a policeman, were killed and three others seriously wounded when armed men fired at an owner jeep yesterday afternoon in barangay Pasaquilao in Isabela, Negros Occidental.

The ambushers were believed to be members of the New People's Army.

Col. Arnulfo Obillos, Negros Occidental provincial commander, ordered elements of the Scout Rangers company based in Isabela to track down the ambushers.

The fatalities were identified as Sgt. Francisco Floro of the CIS, Patrolmen Antonio Gonzales of the Binalbagan INP station and a civilian identified only as "Isio."

The wounded were identified as Hernani Melgar of Victorias town, Lester Gaburo of Binigaran and Fabilito Sagone of Hacienda Fresben, Moises Padilla.

Sketchy reports reaching the offices of Obillos showed that the group were on their way to Isabela town from Hacienda Fresben when suddenly fired upon at about 2:45 p.m.

Isabela had witnessed several ambushes by NPA elements late last year. This had prompted the assignment in the Southern Negros town of Scout Rangers in place of the 6th PC provisional company.

C50: 4090/1/1

# ISABELA GOVERNOR REPORTS 'DISTURBING' SOCIAL ACTION SEMINARS

Manila BULLETIN TODAY in English 21 Oct 84 p 14

[Article by Antenor B. Parazo]

[Text]

Isabela Governor Faustino N. Dy has called on parents and youths in Isabela to refrain from getting involved in on-going seminars in that province which, he said, are ostensibly aimed at eroding public confidence in the government.

The governor reacted to what he termed as "disturbing reports" he

had received from concerned parents and youths from Isabela. The reports said that seminars are being conducted by certain so-called social action groups in some towns in that province.

Dy is in Manila to attend the forthcoming northeast Luzon regional development council of which he is the chairman.

The governor issued his appeal to parents and students through the mayors and heads of civic organizations.

Dy said that these seminars are rather destructive because they are devoted mostly to attacking the government for its ailing economy.

The speakers at these seminars, Dy said, dwell lengthily on subject matters tending to divide the people of Isabela.

The reports said that "seminar speakers touch on ideologies alien to our democratic ways of life," Dy said.

These seminars which

had been earlier dubbed as "purely social forums" are apparently being used as convenient covers for destroying public confidence in the country's democratic institutions and help an alien ideology gain inroads into our democratic ways, he said.

It would be all right to assail government officials and agencies guilty of graft and corrupt practices, Gov. Dy said, "but to draw people away from their collective effort to promote the economy and present to them an alien concept of government is certainly unacceptable."

The people of Isabela have always been united, because they are satisfied with the services they get from government offices and officials of the province, Dy said.

He appealed to parties behind these seminars to stop their attempt to divide the people especially in these times when government is faced with the economic crisis.

MULTINATIONALS SAY BOI HINDRANCE TO INVESTMENT

Manila PHILIPPINES DAILY EXPRESS in English 15 Oct 84 pp 15-16

[Article by Arleen C. Chipongian]

[Text] MULTINATIONAL companies operating here recently assailed the Board of Investments (BOI), the government's regulatory agency on investments, as the major obstacle to foreign investments into the country.

A. Lewis Burrige, president of the Philippine Association of Multinational Companies' Regional Headquarters Inc. (PAMURI) said "the present structure of government results in the same people reviewing investment policies and decisions as were implementing the decisions in the first place."

Burrige, concurrent president of the American Chamber of Commerce called for legislation and structural changes in the handling of both domestic and foreign investments.

It was the strongest indictment made so far against the BOI, which has also come under sharp criticism from other sectors for its regulation of both domestic and foreign investments and the administration of existing investment plans and programs.

Trade Minister Roberto V. Ongpin is concurrently chairman of the investment body.

IN A letter to Foreign Affairs Minister Arturo Tolentino dated September 12, Burrige urged the creation of a review commission directly under the Office of the President to tackle investment problems of both foreigners and Filipinos.

Burrige said the commission would:

--Analyze all investment projects which were not approved by BOI.

--Provide a "point of appeal" for any potential investor who encounters problems in making an investment, disagree with the reasons given, refusing such investment or otherwise feel a need for an "impartial handling" of such proposal.

--Serve as a "point of action" for the President or other departments of government who wish to have an impartial appraisal of investment decisions and or policy affecting such decisions.

Burridge informed Tolentino that in absence of review commission, the Securities and Exchange Commission could be tapped to undertake the commission's purposes.

The PAMCAL head stressed that investment promotions was important to attract foreign investors to the country. However; he added that it is nearly impossible to expect investment promotions to be effective when administered within an agency carrying a responsibility for regulation.

Burridge said there was a need for the government to identify investments which could be provided "automatic" approval so that a part of the investment potential could avoid channeling through a regulatory agency.

CSO: 4200/132

# FOREIGN EXCHANGE DECONTROL PROMPTS DAILY DOLLAR TRADING

Manila PHILIPPINES DAILY EXPRESS in English 15 Oct 84 p 16

[Text] DAILY trading in dollars among commercial banks is expected to resume shortly following the Central Bank's decision to lift foreign exchange and trade controls starting today.

The resumption of daily trading in foreign exchange could be decided today during a meeting called at 3 p.m. by CB senior deputy governor Gabriel Singson with the presidents of commercial banks at the CB.

The Bankers Association of the Philippines (BAP), the umbrella organization of all commercial banks, has limited interbank dollar trading every Tuesdays and Thursdays because of the foreign exchange crisis which required banks to surrender 80 percent of dollar receipts to the CB.

DAILY trading is now possible because the banks will be allowed to retain 100 percent of their foreign exchange receipts starting today.

Banks whose foreign exchange exceeds the amount allowed by the CB are required to sell their balances at the trading floor on a daily basis.

CB officials said the average foreign exchange receipts amount to \$400 million monthly or about \$15.2 million daily, a portion of which the banks can trade among themselves.

Meanwhile, bankers said they do not foresee any sudden and steep rise in the guiding rate for the peso with the resumption of a more flexible floating rate system.

The peso had dropped in value from P15.00 to \$1 to \$18.45 from October 2 up to October 11 in "lower" transactions during the twice-weekly dollar trading among banks.

They pointed out that the demand for the US dollar will depend largely on the availability of pesos which is already very tight because of the CB's mopping up of liquidity through the intensified sale of its CB bills and the treasury bills of the national government.



Top government officials are optimistic that the peso rate would reach about P=9.40 to 9) which is prevailing in the market.

BUT significant pressure on the peso is expected because of the need to clear the blocked peso accounts, and the resumption of import financing.

CSO: 4200/132

# BATASAN BILLS SEEK NEW REGION IN CORDILLERAS

Manila BULLETIN TODAY in English 16 Oct 84 p 8

[Article by I.S. Chammag]

[Text]

**BAGUIO CITY** — Two separate bills seeking to create a new region in the country had been introduced in the Batasang Pambansa.

Filed separately were Parliamentary Bill 443 by MP Honorable Y. Aquino (Unido-Bagui) and Parliamentary Bill 1324 by MP Zosimo Jesus Paredes Jr. (KBL-Ifugao).

The two bills seek to create a Cordillera region or Region-13 to be composed by the five Igorot provinces of Benguet, Ifugao, Mt. Province, Kalinga-Apayao, and this mountain city.

At present, the provinces of Benguet, Mt. Province, and this city belong to the Ilocos (Region-II), while the provinces of Ifugao and Kalinga-

Apayao are with the Cagayan Valley (Region-III).

An initial forum on this regionalization issue which was considered the start of a series of public hearings was held here Sunday and attended by representatives from the five Igorot provinces.

"Baguio may be a chartered city but geographically it is within the Cordillera mountain ranges and so it must belong to the Cordillera region," Paredes said.

Aquino and Paredes explained that faster economic and social development of the highland areas and its cultural minority population will be enhanced by the creation of the new region.

# INCREASED SALES TAX COLLECTION EFFORTS LINKED TO IMF

Manila BULLETIN TODAY in English 15 Oct 84 p 22

[Text]

Increasing tax collections by three billion pesos this year hogged the limelight last week before the approval of the 630 million dollar credit facility from the International Monetary Fund (IMF).

New tax measures, including the imposition of new rates of specific taxes for cigarettes, were adopted to maximize tax collections.

But even if there would be no increased rates for specific taxes on petroleum and alcoholic beverages, the Bureau of Internal Revenue (BIR) can easily collect some one billion pesos.

In May and June this year, the government raised the rates of specific taxes on these two products, thus hiking the revenue take of the agency.

While the IMF credit facility is welcomed as one that would help spur the country's national recovery program and stabilization efforts, there is, however, much work to do at home.

One big source of revenue is the so-called sales taxes or manufacturers' percentage taxes.

BIR is now training its guns on them to buoy up local revenues while similar efforts are being concentrated on other internal revenue taxes.

"Suyurin lahat sila," Deputy Revenue Commissioner Romulo Villa told the BIR's 17 regional directors. The focus is now on the collection of business taxes, not on income taxes.

The IMF team that visited Manila recently had recommended that the BIR should collect more business taxes.

A startling discovery during the week was that hundreds of small-scale industries have masqueraded themselves as "cottage industries."

By wangling out "certification" from the National Cottage Industries Authority (Nacida), they have avoided tax payments.

Cottage industries are exempt from the payment of percen-

tage taxes if their gross receipts do not exceed 400,000 pesos in one year.

BIR officials related their sad experiences that jeep assemblies in Biñan, Laguna and in Cavite claimed to be "cottage industries" falling under "iron craft or steel craft."

They also disclosed that many businessmen have been engaged in "unlawful pursuit of business" by not paying privilege taxes. In Novales alone, about 2,000 businessmen have failed to show their privilege tax receipts when investigated by the BIR.

Villa, who is chief of operations, has his hands full when BIR launches its Operation Sales Tax campaign.

Villa said the campaign is to be launched Friday, a day before the deadline for the filing of percentage returns for the third quarter.

"We're doing our best," Villa said. "By increasing tax collections, we can reduce the country's budget deficit."

To effect a smooth and increased revenue collections, Villa said the BIR is closely coordinating

with the Ministry of Trade and Industry, the Board of Investments, the Securities and Exchange Commission and even with provincial and local governments in the completion of "new registry of business firms" from which the government can collect more sales and percentage taxes.

He also said that one area where the government can also collect more taxes, percentage and specific taxes is in the constant visits to factories to determine their volume of sales and or units of production churned out by them.

The BIR's tax collection goal for this year is 30 billion pesos. In 1985, its collection goal is about 34.5 percent, or more than 50 percent of the national budget of 67.3 billion pesos.

Asked if the BIR move is dictated by the International Monetary Fund from which the government is securing a 650 million US credit facility, Villa said, "it has nothing to do with it."

"In granting the expected facility," Villa said, "the IMF just looks at the government budget and

the revenues to be generated."

Villa noted that the ratio of sales and percentage taxes collected in the country is very low compared to those of neighboring countries in Asia.

Business taxes collected last year by the BIR reached four billion pesos.

Villa also met with division chiefs of the sector operations service to come out with definitive guidelines in the collection of business taxes.

He said the new registry of establishments subject to the collection of business tax is expected to be completed by Oct. 20.

This will serve as the basis of our action in zeroing into their possible tax liabilities, Villa said.

BIR will conduct a more rigid examination of books of accounts to determine the amount of percentage taxes businessmen should pay for the two remaining quarters of 1984.

BIR had unearthed this illegal practice of businessmen in not paying privilege taxes after conducting a thorough "tax zoning" of business establishments.

GOVERNMENT TO SUSTAIN IMPORT RESTRAINT POLICY

Manila BULLETIN TODAY in English 15 Oct 84 p 21

[Article by Rene Alviar]

[Text] The government is expected to sustain its import restriction policy in the next five years in order to limit the country's annual average growth rate of import payments to not more than six percent.

With the expected constraints on the inflows of foreign financial resources from 1983 to 1987, the government will have to lay the groundwork for a sustainable local economic recovery which is less dependent on foreign loans and get an "equilibrium" in the balance of payment position.

Sources at the National Economic and Development Authority (NEDA) said cut-backs in importation could be expected to narrow down the current account deficit (CAD) to gross national product (GNP) ratio from 8.1 percent last year to four percent in 1985, two percent in 1986 and to less than one percent in 1987.

Current account deficit to GNP ratio reflects the amount of foreign savings used as a proportion of GNP, both expressed at current prices.

While dampening imports, the country's value of export shipments is expected to recover and help cushion the impact of a slow world economic revival, largely due to improvements in commodity prices, intensified export promotion, and product and market diversification particularly for non-traditional manufactures.

The country's external sector has suffered most the brunt of the current tight international lending climate and the unforeseen local developments which affected the international financial community's decision and perceptions of the Philippine creditworthiness.

Last year, the current account has improved and resulted from favorable prices for major commodity export during the first two to three quarters. However, the improved prices of exportable products could not compensate for net repayments of short-term obligations of the country simultaneous with the drop in new investments and capital inflows.

Overall, the balance of payments deficit last year swelled to \$2.1 billion (inclusive of arrears), resulting in a drastic decline in international reserves. Meanwhile, total outstanding foreign exchange liabilities amounted to \$14.8 billion, \$18.8 billion of which was incurred by the non-monetary sector and \$6 billion by the monetary sector (Central Bank and the commercial banking system).

CSO: 4200/132



# BIR TIGHTENS TAX CAMPAIGN

Manila BULLETIN TODAY in English 15 Oct 84 pp 1, 15

[Article by Jun Ramirez]

[Text] All fieldmen of the Bureau of Internal Revenue (BIR) have been placed on "red alert" status starting today to stop many businessmen from evading payment of over ₱1 billion in sales and percentage taxes every year.

Revenue Commissioner Ruben B. Ancheta ordered all his examiners posted at the national office and 17 regional offices of the BIR to visit and monitor closely financial transactions of firms in their respective areas of assignment.

Reports reaching Ancheta's office showed that shrewd businessmen have been expertly manipulating and depleting their production and sales reports to reduce their business tax payments.

Ancheta said that despite increases in sales and in the prices of commodities and services caused by inflation, the collection of business taxes has remained "stagnant."

"Notwithstanding increases in the collection of income taxes, business tax collections have remained constant," Ancheta said.

Manila Revenue Regional Director Jesus Parado said he will require all his examiners to visit selected firms in the morning to place their initials on invoices which are the basis in the computation of sales tax.

Parado noted that many service and commercial establishments either issue fake receipts to their clients or do not issue receipts at all.

Meanwhile, the 3,000-strong association of BIR examiners pledged their support for Ancheta's intensified collection of business taxes.

Alberto Bernales, assistant Manila revenue district officer and chairman of the Philippine Association of Revenue Examiners (PAREX), said letters have been sent to their members nationwide urging them to redouble their efforts.

Bernales expressed optimism that with the support of "frontliners" (examiners) collection of business taxes will register a remarkable increase this year.

Last year, collections of business taxes stood at ₱4 billion, while income tax collection went up to ₱8.8 billion.

In a recent meeting of revenue regional directors, Revenue Deputy Commissioner Romulo M. Villa exhorted them to concentrate their efforts on percentage tax.

CSO: 4200/123

ABRA GOVERNOR TAKES UP TRIBAL CAUSE AGAINST INDUSTRIALIZATION

Quezon City ANG PAHAYAGANG MALAYA in English 15 Oct 84 pp 1, 2

[Text] BAGUIO CITY (AFP)--A provincial governor has taken up the cudgels for mountain minority tribes in his province in a bid to halt renewed industrialization attempts there.

Speaking before reporters, Governor Andres Bernos of Abra province in northern Philippines along the Cordillera range said "the idea of industrializing a depressed province like Abra failed because it did not take into consideration the people, who were not ready for it."

In Abra, privately owned Cellophil Corporation tried to put up a pulp and paper plant, but displaced tribal people from more than 200,000 hectares (494,000 acres) of forest they consider their ancestral lands.

This led to active resistance which the communist New People's Army joined, making it impossible to work the concession. Roman Catholic priest Conrado Balweg, frustrated in efforts to help his people against Cellophil, joined the NPA and now carries a P200,000 peso (\$10,000) prize on his head.

Recently, news reports regarded here as trial balloons indicated there were plans for the re-activation of Cellophil. Besides its problems with the tribal people, Cellophil also found its equipment and technology inadequate.

Bernos branded the first attempt of Cellophil a "fiasco" and complained his displaced people were not properly compensated.

CSO: 4200/132

## COLUMNIST ANALYZES REMARKS OF THREE CABINET 'MAVERICKS'

Quezon City ANG PAHAYAGANG MALAYA in English 20 Oct 84 p 4

[Article by Armando J. Malaya in the "Please Pass the Salt" column: "What's With Mendoza?"]

## [Text]

Three members of the Marcos Cabinet, seemingly with no prearrangement, recently used three international forums to rub salt on some sore spots of the Marcos regime. The "massage" was mainly on the technocrats responsible for managing the country's economic affairs. Except for one, the Cabinet Ministers avoided alluding to President Marcos himself.

First to open up was Foreign Minister Arturo M. Tolentino, who addressed the Far East-American Council (composed of leading US businessmen) in New York last October 4. He tactfully put on the record that he was speaking not in his official capacity "but only as a Filipino deeply concerned with the future of his country and people." "Some of my statements may not even be acceptable to some leaders of my government," he wryly pointed out.

With the candor for which he is known to speak to his countrymen, Tolentino stated that the IMF-dictated austerity measures imposed by the

Marcos regime "have caused much suffering to the great majority of our people, increased discontent among the masses, weakened popular confidence in the administration, and heightened political risk to the government itself." He also referred to some laws "which are of martial law origin" that deter foreign investments so ardently sought by the regime. He cited Amendment No. 6 and the presidential decrees authorizing Marcos to order the arrest and indefinite detention (until he orders them released) of persons for alleged political offenses.

Rubbing the salt harder at this point, Tolentino stressed that there are government leaders "who disagree with me and believe in (these laws') continued effectivity."

On October 9, Labor Minister Blas F. Ople and Justice Minister and Solicitor General Estelito P. Mendoza took their turns to hit at the technocrats and some of the regime's practices.

Ople told the 5th ASEAN Labor Ministers' Meeting in Manila that

technocrats who are not accountable to the people for their decisions should not monopolize the shaping of economic policies. Deploing the lack of "open democratic debate" in promulgating presidential decrees, Ople cited the cases of PDs 1934 and 1935 wherein he said the views of other government officials were not considered and the people were not given a chance to air their views or objections. Then, adverting to the same austerity measures cited by Tolentino, Ople declared that "no regime of discipline and austerity can succeed without the support of the people, many of whom have started to feel that they must now pay for past mistakes in which they played no part."

For his part, Mendoza was less direct in his criticism of his Cabinet colleagues when he addressed a seminar on international economic contracts in Makati. But he made a very loaded statement. Mendoza assailed the "onerous and one-sided contracts" such as loan agreements

imposed by rich nations on the Philippines. Some of these agreements, he said, are "loaded with unpleasant terms that insult the sovereignty of the country." He suggested that the Philippines develop a group of "skilled negotiators" to prevent such unfair agreements. In effect, Mendoza denigrated the country's economic negotiators — Prime Minister Cesar Virata foremost among them — as "unskilled" or naive as to allow insults to Philippine sovereignty in the loan agreements they had signed.

I am no longer surprised at Tolentino's biting candor, for isn't he the KBL and Cabinet maverick? Nor am I surprised with Ople who, nurturing a presidential ambition, had earlier rapped Virata in Cabinet and KBL caucuses. Mendoza is the revelation. He has always been a loyal defender of all the acts of the Marcos regime, before the Supreme Court and in any other forum. What's with the Justice Minister? A sheer tinge of nationalism, or a repressed disgust?

## VERITAS REPORTS MARCOS-MANOTOC 'MEDIA TAKEOVER'

Quezon City VERITAS in English 21 Oct 84 pp 24, 25

[Article by M. Theresa R. Martelino]

[Text]

**T**HERE IS a joke, dripping with sarcasm and irony, now doing the rounds of media circles. Sparked by a flurry of unofficial reports about the alleged takeover of GMA-7 by the same group that now manages all three stations in Broadcast City, idle chatter in the television industry refers with tongue-in-cheek to Channel 4, the government station as the only one "independent" TV station left in the country.

But, the only official statement *Veritas* has been able to get about Channel 7's rumored change of management is executive vice president, Atty. Eulolo Verzola's "No comment."

As things now stand, nothing is confirmed — in the same way that nothing was even definite about Imee Marcos-Manotoc's mo-

ving into the positions of Kitchie Benedicto, as KBS vice president and BBC-2 general manager, earlier this year until her right hand man, Ramon Monzon, came into the picture last July. Monzon, a young man in his thirties, is a former classmate of Imee's husband, Tommy Manotoc. He was a management trainee at KBS when it was still located on Bohol Ave. some years back and has just now resurfaced in the television industry.

Today, there is still some confusion, even among Broadcast City personnel, as to exactly what Mrs. Manotoc's position is since her presence is felt only through Monzon who functions as general manager. Indirectly, her presence was also felt, especially in the first few weeks following Monzon's physical takeover of his office, when

security in Broadcast City reportedly became very tight. Visitors, including the press, were cross-examined before being allowed to enter the premises. Even employees had to undergo inspection and numerous complaints of "harassment" from security guards at the gate were heard. Major revamps and mass resignations soon followed.

All this was aggravated by an article published in *The Economist* last August 31 which said that "Imee has reportedly taken over one of (Roberto) Benedicto's television stations and is in the process of assuming control of his TV empire (which includes Channels 2, 9, 13, and all four cable channels in Manila)." The article further talked about Benedicto's plan to "absorb the only remaining independent

TV station next month (September)."

Things came to a head and seemed to take a more serious turn when RPN-9's general manager, Atty. Felipe Medina, Jr., recently announced that he was resigning effective October 15 because conditions at the station had become "professionally untenable."

(EDITOR'S NOTE: Reports stating that Atty. Medina will not be pushing through with his resignation have reached *Veritas*. In a phone interview, Atty. Medina said that he has been prevailed upon by the Board of Directors to stay on while awaiting further developments.)

**M**EDINA, who has been with the station for the last 21 years, was not willing to be interviewed before October 15 but a *Veritas* source gave the following account.

When Monzon assumed his post in Broadcast City, it was taken for granted by the personnel of Channels 9 and 13 that only Channel 2 would be affected by the change in management.

In time, it became clear, however, that both channels 9 and 13 were also part of Monzon's domain. Policies emanating from his office, some of which had no prior clearance from Medina, were handed down verbally (Monzon reportedly does not like to put anything down in writing) and put into practice. One such directive is the increase in employees' withholding tax which certain quarters were not exactly in favor of.

Sometime in September, all seven account executives of RPN-9 were asked to resign by Monzon. Dennis Cabalfin, assistant general manager for sales who served Channel 9 for 16 years, resigned effective October 1. The station's sales department was dissolved and an independent marketing outfit, Aricor took over its functions. The firm is owned by Freddie Infante, former vice president of Network Marketing, Channel 7's marketing arm.

Cabalfin was allegedly asked to join Aricor but was offered a position lower than the one he formerly occupied in Channel 9. He did not accept the offer. The seven account executives have stopped reporting for work but have not filed their resignations as requested and therefore, have not received any separation pay.

The same *modus operandi* exists for both Channels 2 and 13 who each have independent companies handling their marketing. Channel 2 is handled by RAMAR owned by Chito Arceo, formerly of Channel 13's sales department and an actor in the sitcom, *Chicks to Chicks*. Texcor Marketing handles Channel 13's sales and is owned by Tex Pangniban.

In the meantime, it is not yet clear whether or not Channel 7 would suffer the same fate. Way back in August, rumors had begun to circulate that Channel 7 was selling out by October. Then it was bruited about that Menardo Jimenez, chairman of the board of directors of GMA-7, was able to get a postponement until December of this year.

An atmosphere of gloom hung over the station and employees who experienced the martial law closure of TV stations in 1972 began taking home their personal belongings lest they no longer be allowed to enter the premises once the new management takes charge of operations.

An inventory of GMA's equipment and furniture began and the employees' Christmas bonuses, a source recounts, were already being computed and were ready to be distributed by September 20.

This was later postponed to October 16 or 20. These two developments, according to both Atty. Verzola and Tony Seva, vice president for programming, are devoid of any undue significance because they are standard operating procedures (although a

Channel 7 employee says the inventory was not done last year). Both executives also deny any knowledge of negotiations regarding the sale or takeover of Channel 7.

However, a source revealed that Rolando Gapud, Jr., chairman of Security Bank and Trust Company and chairman of the Marcos Foundation, is acting as front man in the deal. *Veritas* tried to verify this with his office, but Gapud, according to his secretary is out of the country.

Another source quotes Jimenez as having said that so many people are interested in buying Channel 7 but he is not selling.

But the real question is who are buying or taking over *all* the station — and why?

**T**WO SOURCES, both long-time industry watchers, one of whom is highly placed in Broadcast City, give the same reply: greed. This group, they theorize, know how profitable television is and are taking the opportunity to make a killing. To illustrate, a 30-second commercial on *John en Marsha* costs P12,000 and the TV show grosses P3 million in sales a month for Channel 9. To top it all, Channel 9 has contracts that are good up to 1985!

The two do not believe, as others tend to think, that politics is involved in these deals. "If they just want to control the people's minds, they can just call us about what they want us to do. We follow them *roman ah*. And besides, why aren't they making any changes in the programming? Why are they concentrating on our

sales?" one challenged.

In Channel 7, employees are afflicted with apathy mixed with foreboding. "People are no longer working very hard and they seem to ask, 'What's the use?'" a source observes.

In Broadcast City, the situation has so deteriorated that morale is at an all-time low. "We don't know what's happening. We don't know if we'll still be here tomorrow. It's really oppression," an employee complains.

Benedicto is still liked by the people who work for him in Broadcast City. They think he is approachable and generous (He gives a 300 per cent Christmas bonus and last December, he reportedly gave away some P300,000 of his own money at the Christmas party).

Medina, according to sources, used to be able to tell Benedicto of his objections to certain policies and Benedicto would listen. "But now you just go to Monzon who always replies with 'Imee says...'" and it stops there because you don't know who to go to next," the same source said.

With no one in authority willing to give an official statement to clear up the doubts in people's minds, an air of uncertainty hovers over the whole television industry. Nobody knows exactly what to think because nobody knows what the real picture is. Most just work on the premise that once Imee Manotoc or her representative sits in the management of Channel 7, Philippine television will have lost what little credibility it has so far been able to retain.



MALAYA REPORTS ON RISE OF PEASANT MOVEMENTS

Movements Grow Nationwide

Quezon City ANG PAHAYAGANG MALAYA SUNDAY Weekly Supplement in English 21 Oct 84 pp 6, 7

[Article by Joel C. Paredes]

[Text:] The Filipino peasant lives to see the day when he is liberated from his feudal chains. But the struggle is long and tedious, waged through centuries of oppression and repression.

The farmers which comprise 70 per cent of the country's population of 52 million, are spreading class consciousness, knowing that only through an organized strength can they seek the solution to their problems.

Genuine peasant organizations, those supported by farmers, and not merely initiated to serve the interests of a few, are expanding. Among them, cause-oriented organizations penetrating the grassroots level, have emerged, challenging ones in the barrios, all of which emerged in 1972, the year martial law was declared in the country.

Another legitimate peasant struggle is participated in by mass movements supported by revolutionary forces seeking the overhaul of the system through armed struggle. They have waged the agrarian revolution in the countryside. Yet until the early 1980s, activities of the independent peasant organizations were limited to the consolidation of their ranks.

In 1981, some 5,000 farmers and agricultural workers belonging to the Alyansa ng mga Magsasaka sa Gitnang Luzon (AMGL) launched the massive rally in front of the Ministry of Agriculture. Their demands were the "decrease in prices of agricultural inputs, an increase in prices of produce, the recognition of farmers' rights to self-organization and unified action, and an end to the intensifying militarization in the region."

Actually, the year 1981 marked another stage in the peasant movement since it was then that the government reduced and finally stopped the subsidy on fertilizers and pesticides, basic needs of farmers who have been introduced to "modern farming".

As the regime loosens its control after the so-called lifting of martial law that same year, "cause-oriented" peasant organizations and alliances suddenly mushroomed from the north to the south. Prominent among them were the Lanao

Farmers Association (LANFA), the Makinasudnong Alyansa Alang sa Mindanao (MAALAM), the Kapunungam ng mga Maguuma sa Surigao del Sur (KAMASA), South Cotabato Farmers Association (SOCOFA), Bicol Coconut Planters Association (PCPAI), Davao Farmers Association (DAFA), Kapunungan ng Mag-uuma sa Agusan del Sur (KAMAS), and the Kahublagan sang Mangunguma sa Iloilo, Panay (KAMIPA).

They were no longer alone in their struggle. The church and other sectoral organizations formed support groups. These developments led to the birth of peasant movements no longer confined to underground activities.

The problems that plague the farmers became the basis of unity of the peasant organizations independent of government assistance. They also exposed the impotence of government-instituted organizations in espousing the peasants' cause.

What emerged were organized efforts in pushing for certain issues. For one, they want to stop the monopoly of the coconut industry by US corporations and local investors led by Defense Minister Juan Ponce Enrile and businessman Eduardo Cojuangco Jr with the campaigns launched by the Bicol Coconut Planters Association (BCPA), the Southern Tagalog Anti-Coconut Monopoly Alliance (STACMA) and the Alyansa Alang sa Pagpapalangkawas sa Industriyang Lubi (APIL).

Significant developments also marked the advancement of the peasant movement. The Philippine Peasant Institute (PPI) presents this picture of the movements in various regions:

--In Mindanao, peasants and agricultural workers are fighting against land-grabbing by big multinational agribusiness firms.

--In Central Luzon, peasants are demanding lower land rent, higher prices of produce and decrease in the prices of petro chemical fertilizers and pesticides.

--In the Visayas, sugar workers are demanding higher wages and an end to the intensifying militarization of the region.

Actually, PPI was created after 46 representatives of peasant organizations from Luzon, Visayas and Mindanao gathered in Manila for the first national peasant consultation in May, 1983. PPI was tasked to become the national support mechanism for peasant groups' action campaigns.

The PPI sees five major developments in the open mass movements of the peasantry:

First, peasant organizations and alliances are being organized on a wider sphere in the provincial and regional levels--for unified action.

Second, the launching of peasant campaigns covering a broad spectrum of peasant demands have been undertaken. Case studies are the anti-coconut monopoly campaign of Southern Luzon and Mindanao, the anti-landgrabbing campaign in Mindanao and the fertilizer-pesticide campaign in Central Luzon.

The coordinated peasant campaigns on such issues as land reform and coconut monopoly have been preparing peasants for more militant political mobilizations.

Third, the middle classes--church people, lawyers, teachers, scientists, researchers and students--are supporting the peasants in their countryside struggle. Working for the peasants' causes are the Forum for Rural Concerns, the Coordinating Committee for Minority Concerns, the Mindanao Nationalist Alliance for Peasant Concerns and the Anti-Coconut Monopoly Alliance, Binhi Foundation, Luzon Social Secretariat for Social Action and the Farmers Assistance Board.

Fourth, the increasing militance of the peasant movement as shown by the various forms of struggle being waged in the countryside.

Finally, the coalition of peasant organizations in the regional levels and the holding of regional campaigns, the organization of a national coordinated peasant campaigns become clearer perspectives on the activities of the peasant organizations.

Pancho Lara, PPI executive director, said the basic differences on the existing peasant organizations today are their views on land reform, the forms of struggle they undertake and the content of program.

Obviously, the government-instituted organizations promote and carry out Presidential Decree No. 27, the land reform program of the country, which has been limited to rice and corn.

Lara said land reform, despite the government's boost, has not won over the farmers who have instead formed cause-oriented organizations whose stand is total land reform. The process includes the reduction of land rent through legislation until there is distribution of land.

Lara said there is still the share tenancy, contrary to government claims that they have succeeded in introducing legal leasehold of the land. He traces the farmers' fear of the government's amortization program which they claim is high.

Worse, Lara said, there has yet to be "genuine support services," such as the free irrigation and flood control projects in the countryside.

Lara said the country's credit program under Masagana 99 is being shunned by the farmers since the interest rates soar to 32 per cent.

On the US involvement, Lara said that farmers fear the government's agribusiness program will eat up their lands. Foreigners control the country's agriculture and maintain their monopoly of the coconut industry, while the Japanese control the supply of activated carbon, basic ingredient for fertilizer and oil.

The peasants' cry for emancipation is spreading like wildfire in areas where oppression thrives.

In Agusan, Mindanao, the farmers continue to oppose the National Development Corp. (NDC) Guthrie plantation by cutting down hectares of palm trees.

The Kapunungan ng mga Mag-uuma sa Agusan Sur (KAMASS) was established by church workers from the diocese of Butuan City, against the presence of the largest agro-industrial plantation in their land as well as the unlawful arrest, salvaging and hamletting of farmers and their leaders.

In Surigao del Sur, the Kapunungan sa mga Maguuma sa Surigao Sur (KAMASS), since its inception on Feb. 9, 1983, has launched protest actions against the growing militarization of the province. Through their organized efforts, the farmers are becoming aware of their real problems and needs as they fight the "forces that have perpetuated their impoverished situation".

Two women peasant leaders--Pastora Suson, 47, and Carmen Flores, 36,--of the Davao Farmers Association--said only an organized peasantry has made them survive the agricultural problems they encounter in the south.

Mrs. Flores reports that peasant leaders are being harassed by the military in their area.

"We expect to overcome them through our organizaing efforts," she said.

Hamletting in some areas in Mindanao have been instituted because multinational corporations are interested in their lands. Hamletting is a military strategy wherein the farmers' houses are dismantled and they are transferred to military barracks or town center.

In Agusan, for instance, people are being hamletted in areas targetted by the Manila Paper Mills Inc., a Swedish subsidiary, for industrial tree planting. In another Mindanao province, the farmers expressed fear of losing their lands to palm oil operations of five multinational (MNC) firms which were granted 30,000 hectares of land through the intercession of the National Development Corp.

Guthrie is the first of the five MNCs as it includes among its concession 8,000 hectares of land.

In Negros province, the peasants point to certain groups which are being used to terrorize their organizations. The salvatore, a group allegedly backed by some military men, has been blamed for the killings of some farmer leaders.

Another group, called "revolut-onary guards" is equipped with high-powered weapons. They pose as protectors of the people but they have been blamed for the rash of abuses in the remote areas. Peasants said the group is being backed by some policemen from the town of Guialbugan.

The Philippine Assistance for Rural and Urban Development (PARUD) stated: "The people would not be covered. The crippling economic pressures plus the repressive movement of the state spawned people's organizations. These

are goals and aspirations of the people and are capable of resisting the co-operative moves of those in power."

Through peasant organizing, the farmers' consciousness are raised. Slowly, but surely, they realize that change can only be attained through genuine struggle.

Unlike the movement launched by the government which focuses on the hierarchy of leaders, the emerging peasant movement in the countryside are centered on the masses.

The Farmers Assistance Board Inc. said: "The basis for unity with any group will be the peasants' interest and aspirations and how far such relationships can enhance, and assist in, the realization of the objectives of the peasant struggle. While these interests are sometimes limited and confined, these are temporary, and in a dialectic growth, accelerated by the process of conscientization. Peasants and their rural allies have proven historically to be the most consistent and persistent in the revolutionary struggle and have taken up the greater burden of any open confrontation."

Apparently, the peasant struggle's goal is to abolish the peasant class with "all its exploitation repercussion on the other classes and on societal structures. The peasant movement is a continuing process for the restructuring of society.

A peasant leader describes their situation in a poem:

"Yon naduduling na sa gutom, talagang hindi na niya makita ang direksiyon. Saan man siya tumingin, dalawang direksiyon ang makikita niya. Hangga't sa ang ugat ng kanyang pagkaduling ay hindi maalis--talagang huwag nating asahan na matutumpak niya ang kanyang direksiyon."

#### Luzon Farmers Organize

Quezon City ANG PAHAYAGANG MALAYA SUNDAY Weekly Supplement in English 21 Oct 84 p 8

[Article by Noel Bartolome]

[Text] Militarization in rural areas and a lack of knowledge of their basic rights have kept many farmers from organizing into a strong, militant and effective force. Until peasants from Central Luzon banded themselves and called their group Alyansa ng Magsasaka sa Gitnang Luzon (AMGL). Their immediate concern--the protection of the hard-pressed farmers. Their ultimate goal--their genuine emancipation.

The organization was founded on Oct. 6, 1982 at the Tabang Elementary School in Guiguinto, Bulacan, following the government-sanctioned increase in the prices of fertilizer and pesticides.



AMGL chairman Jaime Tadeo said that on Nov. 14, 1981, fertilizer and pesticide prices were hiked from P100 per bag to P118, which prompted Bulacan farmers to petition the Fertilizer and Pesticide Authority (FPA) to roll back the price and at the same time increase the government support price of palay, to augment their income.

On Dec. 9, of that year, almost 3,000 farmers trooped to the Ministry of Agriculture and Food (MFA) to air their demands—to no avail. The price of farm chemicals was not lowered.

Tadeo stressed that the main task of AMGL is to assess the problems of farmers and initiate actions that would pressure the authorities to serve the needs of farm workers not only in Luzon but all over the country, especially in areas where farmers' rights are not respected.

Daniel Hualde, AMGL vice chairman, enumerated specific objectives of the alliance thus: the lowering of fertilizer and pesticide prices and lessen the cost of production; increase of government support price for palay; implementation of land reform and fully emancipate tenants; construction of irrigation and flood control projects; changes in the present loan system which farmers cannot cope with; increase the minimum salary of farm hands, presently tagged at P20 a day; freedom to organize; and an end to the militarization of the countryside.

Hualda of Bataan, said the farmers have long been oppressed and now is the time to come out and join the struggle for a just society. He said that despite the government's promise to free the tenants from the claws of landlords, the peasants are still victims of injustice. Very few tenants were given lands, since many government officials failed to implement agrarian reform laws. Hualda sees the worsening poverty of small farmers as the reason why the membership of the AMGL in Bataan has zoomed to at least 2,000 farmers. He said that the AMGL also supports the anti-nuclear campaign, as local farmers joined the recent Salakay ng Bayan Laban sa Nuklear (Salakbayan), a protest motorcade from Makati to the Nuclear Power Plant in Morong.

Miguel Caliwag, alliance secretary and treasurer, said that in some provinces, prospective members are often menaced by the military and harassed by some barangay officials and Civilian Home Defense Units (CHDF). Nevertheless, many farmers do not lose their enthusiasm to close ranks. Caliwag, who is president of the Aguman Da Reng Maglalautang Capangpangan, a farmers' group in Pampanga, reported that so far, 3,000 peasants have joined the group. But some towns believed by the military to be red areas, "places where New People's Army (NPA) rebels thrive, the farmers have been subjected to various forms of harassment by soldiers and CHDF men.

Joseph Mendez, AMGL coordinator for Aurora, disclosed that at Bianuan, Casiguran, farmers' assemblies are placed under surveillance by barangay officials, CHDF units and military troopers. He said that in Baler Valley, Aurora, which consists of four towns, the NPA is active even as the military has built up its forces in the area.

Artemio Briones, coordinator for Nueva Ecija, said despite the strong military presence in the area, particularly in Kullado, Talavera, at least 1,000 farmers have joined the alliance. He said that despite the risk of being suspected as NPA rebels, farmers are determined to organize and fight for their rights.

The alliance made its major offensive against the fertilizer and pesticide price hike last Oct. 3 when they held a picket in front of the Ministry of Agrarian Reforms in Quezon City with at least 100 participants from various provinces. In the dialog with MAF officials, the farmers, led by Tadeo, insisted that the price of farm chemicals be rolled back to last year's prices, and sought the implementation of a nationalist agro-industry program and a public hearing to look into the immediate problems of the farmers.

Tadeo pointed out that the government has increased the prices of farm chemicals five times since 1983. In Oct. 1, last year, the price of fertilizer and pesticide was hiked to P270/bag, but was later lowered to P225/bag with a 10% ad valorem tax deducted. He said the rollback of prices is urgent as last year's drought destroyed many crops. Moreover, this season's harvest will take care only of the loans farmers had incurred previously. Tadeo also said that the government must return the subsidy on fertilizers and pesticides abolished by President Marcos on May 21, 1982, or reduce the military budget and channel the funds to farm chemicals to reduce rice production cost. He said the farmers are supposed to use five to six bags of fertilizer per hectare based on the new hybrid rice seedlings requirements. However, the price hike has only forced them to use one bag per hectare.

Tadeo also said: "The government must protect the welfare of farmers since without them, the nation will starve."

It must be the present economic crisis, the soaring cost of agricultural production, or the combination of maladies of poverty, hunger, disease and possibly death, and the government's failure to safeguard the interest of the peasant class, the militarization of the countryside, or all of these things. but the Alyansa is steadily expanding its membership. Today, it boasts of 10,000 farmers; tomorrow, what with hard times ahead, it will definitely be more.

It is imperative that the government listen to the peasants' complaints. As a farmer from Malolos, Bulacan eloquently put it, "Pakinggan ang daing ng mga anakpawis. Huwag hayaang ang lupa sa aming mga kuko ay mabahiran ng dugo."

#### AMGL Leader Profiled

Quezon City ANG PAHAYAGANG MALAYA SUNDAY Weekly Supplement in English 21 Oct 84 p 9

[Article by J. C. Paredes]

[Text] Jaime Tadeo, at 46, is far from being daunted by the risks of leading the peasantry, the biggest and yet most deprived sector in Philippine society.



As chairman of the militant Alyansa ng mga Magsasaka sa Gitnang Luzon, (AMGL) the bemoustached peasant leader would rather live with his own class than be called a peasant leader tempted by the lure of holding a government post or staying in an air conditioned office.

"Ang lider magsasaka ay dapat bumaba sa kapwa upang tumulong sa paglutas ng mga suliranin," asserts Tadeo, he who has dared to unite a people directly plagued by the existing feudal system, which, he sees as the "root of exploitative and oppressive situation still prevailing in the countryside."

In a period where the regime is bent on dividing the peasants for obvious reasons, Tadeo has emerged in the forefront to unite them into a strong force to gain economic and political demands.

Tadeo is working on a regional concept of organization, but like all militant peasant leaders, he has shown support towards a nationwide alliance. He foresees this to happen as early as next year.

"Mula sa pagkakaisa, magkakaroon tayo ng lakas. Mula sa lakas, magkakaroon tayo ng kapangyarihan upang baguhin ang kasalukuyang kalagayan," says Tadeo.

Despite the odds, Tadeo considers the widening consciousness of the peasantry to unite as a gain, by leaps and bounds, of the broad masses in the struggle towards a just society.

Time was when the peasant movement was always linked to the so-called subversives, if not for the emerging armed struggle. Tadeo, however, points out that there are now slowly, but surely, erasing the myth. "Kung hindi ka kikilos, lilikha ka ng mga bagong krimen; palulubhain mo lamang ang mga suliranin ng bayan," he said.

Tadeo has all the reasons to ignore the government-sponsored projects. At present, Tadeo claims the peasants' problems are not being attended to by the regime despite black and white papers of land reform and agricultural development programs. Although the government has initiated farmers' organizations, they could hardly protest against the ill effects of the government programs.

And despite the black propaganda that he is not a farmer by profession, Tadeo would openly trace his roots to poverty.

The second of five children to a poor couple in Bocaue, Bulacan, Tadeo managed to finish his agricultural studies at the Araneta University in 1962.

Tadeo then served the government, starting as a farm technician of the Bureau of Agrarian Extension (BAEX). He became a supervisor in agrarian reform and as an agricultural specialist at the National Irrigation Administration (NIA). He ended his government career a disillusioned man in 1979.

Tadeo looks back at this period of his life and says he believes he could have had a bright career in the government service but he never found any effort on the part of the regime to "genuinely uplift the peasants' lot."

Tadeo joined the Central Bulacan Marketing Authority, a government assisted cooperative, only to lose the job in December 1981 when the entire cooperative's warehouse was razed.

Coincidentally, Tadeo recalls, he and some 5,000 farmers in Central Luzon had led the first big peasant protest rally at the Ministry of Agriculture two days before the warehouse was burned. The issue then was the protest against the government's cancellation of subsidy in fertilizers and pesticide.

It was also the turning point for Tadeo, who found himself at the helm of the AMGL, which had then affiliated 23 farmers' organizations in the region.

Now, Tadeo says they have 10,000 active members. But their target is to organize the more than 360,000 peasants in the provinces of Pampanga, Bulacan, Pangasinan, Nueva Ecija, Tarlac and Aurora subprovince.

"Sa kasalukuyang kundisyon ay hindi binibigyan ng pagkakataon ang mga magsasaka. Ngunit magbabago lamang ang lipunan kung ang malaking sektor ay magkakaisa," he says.

Tadeo laments the continuing repressive acts against the peasants and the protection which big investors enjoy, particularly those in agri-business backed by the United States government.

Tadeo sees the agri-business in the country as detrimental to the peasants since the "progress" would "eat up" the poor peasants' farmlands.

Unless the system is changed, Tadeo believes the peasants will be on the losing end since feudal landlords would continue to dominate the existing "oppressive conditions."

Despite his militant stand on peasant issues, Tadeo says his awareness of the problems and their solutions are not backed by any political ideology. He considers himself a religious man whose strength in the struggle to uplift his people, lies in the teachings of Christ.

His participation in the peasant struggle, however, has not diminished his concern for the welfare of his wife, Crisencia Bernardino, a 38-year-old school teacher; and their five children--Catherine, 14; Joshua, 13; Andres Bonifacio, 11; Jerome 8, and Jacob, one year and six months.

To earn a living Tadeo tills his wife's four hectare farmland in Plaridel town where his family now lives. He also augments his income by planting mongo shoots in their lot with the help of his children.

CSO: 4200/144

REPORTAGE ON 19 OCTOBER NAMFREL SUPPORT RALLY

Multisectoral Representation

Manila BULLETIN TODAY in English 20 Oct 84 p 5

[Article by Deede M. Siytangco]

[Text] Some three-thousand people staged yesterday a peaceful rally at the Ugarte Field in Makati in support of the move of the National Citizens Movement for Free Elections (Nanpnel) to be reappointed citizens' arm of the Commission on Elections (Comelec).

Nanpnel was disenfranchised by the Comelec after the May 14 elections.

Supporters staged the march and rally to call attention to the group's effectiveness as a "Bantay ng Bayan." The marchers included students in uniform, office workers, teachers, nuns, businessmen and executives.

Jaime Cardinal Sin, who had endorsed the rally did not show up. It was earlier reported that he is going to participate in the mass action. His message was read by Vicente Jayme, PDCP president and member of the Bishops-Businessmen Conference.

Sin urged the people to get involved in the rally and take part in the promotion of peace in the country. He emphasized that the "fight for reforms must be through non-violence means."

Christian Monsod, Raul Roco, Joe Concepcion Jr. and Cory Aquino spoke to the crowd who stood under the pouring rain. Emcees were the "Champoy" trio, Noel Trinidad, Gary Lising, and Subas Herrero. It was a very "social" crowd with many using golf seats and umbrellas.

Organizers tried very hard to keep the speeches non-partisan. The yellow and red banners often carried at other "parliament of the streets" rallies were not there.

Bro. Rolando Dizon, president of the Catholic Educators Association of the Philippines, spoke for the academe and asked the government to give education

top priority in its plans and budget. He appealed for more benefits for public school teachers who are among the lowest paid government employees. He also asked the government to provide subsidies to private schools.

Dizon drew an ovation when he declared that the Maharishi's Unified Field was not welcome in local schools. Education Minister Jaime Laya, Prime Minister Cesar Virata, and Budget Minister Manuel Alba were asked to "stop dragging their feet" and come up with long-range plans to make public school teachers' salaries competitive.

He asked for a permanent election code that would ensure the protection of teachers whenever they are assigned poll duties.

#### **Bishop Fortich Reads Sin Message**

Manila PHILIPPINES DAILY EXPRESS in English 20 Oct 84 pp 1, 6

[Text] Jaime Cardinal Sin stressed yesterday that the fight for reforms must be waged through non-violence and that "when confronted with violence, we must turn the other cheek, if we are to bring conversion...and promote peace and unity.

In a message read for him by Msgr. Antonio Fortich during the Citizens' Rally held yesterday at Ugarte Field in Makati, the Catholic prelate also said that the purpose of rallies like the one yesterday is "to give ordinary citizens everywhere in our society the opportunity to stand up and be involved in the great task of effecting the reforms that will save our beloved country."

A rally, the Cardinal emphasized, "can be both an effective and peaceful forum for seeking change, without the need for violence nor confrontation."

The rally, attended by some 5,000 businessmen, students, members of the clergy, and professionals, was preceded by marches from various points in Metro Manila who started gathering at around 1 p.m., despite intermittent rains.

Jose Concepcion, Namfrel's national chairman, said that the multi-sectoral gathering, dubbed as "Citizen's Rally," aimed at:

--Drumming up support for the restoration of Namfrel as the citizens' arm of the Commission on Elections;

--Enactment of a new Elections Code;

--Support of teachers' demand for pay increases;

--Strengthening of the citizens' election committee.

The rallyists also demanded the holding of a national plebiscite or referendum to determine whether or not the controversial Amendment No. 6, which

gives the President the right to issue decrees when the Batasan is not in session, should be retained or repealed.

Cory Aquino, widow of former Sen. Benigno S. Aquino, Jr., in her short talk, extolled the Namfrel officials, volunteers and supporters for their performance in the last May elections.

CSO: 4200/144

# COLLANTES EXPLAINS ROLE OF KBL 'GROUP OF 29' ASSEMBLYMEN

Manila BULLETIN TODAY PANORAMA, Weekly Supplement in English 21 Oct 84 pp 12-14, 34

[Article by Margot J. Bateria]

[Text]

**A** COUPLE of weeks ago, Mamabatas Pambansa (MP) Manuel Collantes (KBL, Batangas) was at a meeting of Makati businessmen known to be radically opposed to the economic policies of President Marcos. Collantes' presence at the meeting, which discussed among other things, the active participation of businessmen in the "parliament of the streets," raised the eyebrows of many observers. One televiewer who recognized Collantes in focus said: "*Aba, si Collantes kasama na nina Joe Concepcion at Jimmy Ongpin!*" Was this an indication that Collantes, former deputy minister of foreign affairs, was truly breaking away from the Marcos camp? The low-key MP, however, has disappointed the observers. As of this writing, he has clearly not aligned himself with any opposition group.

Except perhaps for the so-called "Group of 29" at the

Batasan which he organized before the July 23 opening session of the regular parliament. Is the alignment of 29 Batasan members opposed to the present establishment? "We're a loose group of like-minded KBL members who would like to establish independent thought in the discussion of public issues," Collantes explains. "It's not a pressure group or one that will act only for political maneuvers or convenience. We hope to seek a definite understanding and legal arrangement of the Batasan as the lawmaker and partner in the enforcement of laws under the parliamentary system of government."

Two of the most important issues which the Group of 29 concerns itself with are national economic recovery and clean government, says Collantes. "We're still in the stage of organization. I started this group with MP Helena Benitez (Ind. KBL, Cavite)



but she branched out to form her own 'Caucus of Eleven.' The MPs in my group are relatively young. Right now, we can't identify ourselves (individually) because there might be members who would be approached by the leadership and prevailed upon to break away from the group." A number of the members did not have "the blessings" of the ruling party when they ran for seats in the May parliamentary elections.

No matter how loose the group may be at the moment, Collantes is confident that sharing common beliefs is what will get them going as an independent sector in the Batasan. "We meet regularly to discuss things, like issues that come up during the week. I've given them a set of basic principles and objectives by which we're guided in tackling certain issues. For instance, we all feel that we should be completely free to fiscalize the party hierarchy before and during party caucuses. Whatever findings or researches we've made on our own, we can contribute these to the best party consensus."

Collantes says that even if the Group of 29 is not a pressure force, the members will oppose any attempt to disrupt the stability and normal processes of government. "We will resist unlawful and violent political attempts to destabilize our society (including) any move to impeach the President before completion of his legal term of office in 1987. That is, if he has not committed any

impeachable act in the meantime," he adds.

The group concerns itself primarily with the economic and political crises, especially the burden of foreign debt. Collantes lists six ways in which the group can help the country achieve recovery: a close scrutiny by the Batasan of the actuation of economic policymakers (including the letter of intent submitted to the International Monetary Fund); a thorough review of policies on foreign borrowing; a study on how the country can better regulate the multinationals; stricter laws against businessmen absconding with funds and seeking refuge abroad ("the technocrats missed all the signals until Dewey Dee made his fabulous disappearing act"); a shift from industrialization to agriculture and agribusiness; and a careful study of the national budget and its priorities. (Collantes is a member of the committee on appropriations.)

The Batangas lawmaker blames some technocrats for getting the country into the debt trap. He cites the "lack of experience of the technocrats in the real world of economic management (as) the principal cause of the crisis."

The effort of some technocrats "to cosmeticize the economic deterioration by attributing it to external factors" or by making "fantastic claims of instant deliverance" won't restore business confidence, says Collantes. What the technocrats overlooked, he says, is that

unless the funds borrowed abroad are kept in step with domestic production of goods and services, "such heavy capital inflow is just like printing money." Many government projects were utter disasters, he says.

As for the issue of clean government, Collantes believes it can be achieved by observing these guiding principles:

- The government should be accountable to the people, and for this principle to work, proper legislation should be enacted, including a Freedom of Information Act.

- The Tanodbayan should be strengthened so it can truly be a deterrent to graft and corruption not only among small employees but also among big officials.

- The Seven Pillars of Filipino Ideology should be fully implemented to get things moving.

Collantes says these are the same guiding principles observed by the Group of 29.

"Any Batasan member should be guided by hard work, vigilance, clear thinking and selflessness, or putting the country's good above oneself, in the performance of his duties as an elected official," Collantes says.

He concedes it would be naive to believe that all politicians and public servants can be good and moral and true to the mandate to serve. Neither does he discount the fact that pressures can be brought to bear on any politician, often demanding the compromise of values or the reconciliation of interests for certain ends.

Collantes contends, however, that the situation is not hopeless. He calls for a new morality in politics or norm of conduct in the performance of official duties to "reinforce the much shaken public trust and faith" in government.

He agrees that many will dismiss that call as an exercise in futility. After all, politics, Philippine style, is basically a contest for leadership and the process of gaining the popular mandate to lead. It is also power to rule over others, as political experts would point out. Yet Collantes is undaunted in pursuing the concept of "moral recovery" among politicians, which he hopes will help in the country's economic recovery.

When a vote of confidence for the retention of Prime Minister Cesar Virata was raised in the Batasan, he spoke of a "vote of conscience" instead and voted against Virata. In part, Collantes had said: "At this critical period, the people's faith in government seems to have been considerably eroded. For them to be mobilized anew for the economic recovery program, their trust and confidence in government must first be restored. But this would not be possible if the economic affairs of this country would still be run by the same people who have grossly mismanaged them. The people clamor for change, and the national leadership (had) promised that changes would be forthcoming. Such change must begin from the ranks of economic managers for the same leadership to regain

its credibility. With these considerations in mind, I cannot cast my vote for the retention of the Honorable Cesar E. A. Virata to the position of Prime Minister."

"In casting my vote, I made the conscience of my constituents my accomplice," Collantes says. "As an MP, every vote I cast in the Batasan on matters of national interest must reflect nothing less than the hopes, dreams and wishes of the people who elected me to the position."

The people above all else — that's the dictum, Collantes says, by which he lives as a public official. His concept of a new morality in politics is people-oriented. Through that concept, Collantes believes that "the original traits of honesty and decent regard for the rights of others which have been lost temporarily will help bring back self-respect" not only among public officials but in everyone else. "This new morality will not begin and end with me. The members of the Group of 29 are young and they can pursue it. It's a journey of a thousand miles and, like the Chinese, we're only beginning with the first step," he says.

He becomes exuberant when he talks of the Batasan and his role as a member.

"I love the Batasan. A sacred mandate was given to me by the Batangueños and I should discharge it properly. I think the hope (of the country) is in the Batasan. Given time, it will assert itself as the body that can enact the laws favorable for everyone. But the burden of nation-building and change still

rests on the cooperation of every Filipino."

Had he been named minister of foreign affairs, instead of Minister Tolentino, would he be feeling and talking the way he is these days? "People misinterpreted my leaving the ministry without bothering to say goodbye to the President," he explains. "They said I was sulking for not getting the top post despite my winning the elections, which was a prerequisite for any Cabinet position. What they didn't know is that with or without the 'prize' of becoming minister, I really wanted to run for an elective position. If I won, it would mean a continuation of my public service to the country."

Right after the election results were known and Collantes was proclaimed winner of one of the four Batasan seats for Batangas, he said he had confided to his wife about "not wanting to be in the Cabinet." This was even before the presidential announcement that Tolentino was going to be minister of foreign affairs. His wife Chito had asked him why not, when it would be "most natural" for him to aspire to be minister. Collantes explains: "During the campaign, I talked to a few businessmen friends and they advised against staying in the Cabinet. They told me there was no way for the country to recover from the economic distress in four or five years. That set me (into) thinking. It would have been difficult to be (in the Cabinet)."

Was he miffed by the presidential action and was that one reason why he didn't join the KBL oath-taking in Malacañang after the proclamation? "It was just a natural human reaction," he says. "I've stayed too long in the ministry and I needed a sabbatical."

At the close of the first session of the regular Batasan, Collantes was one of the few MPs who chalked up a perfect attendance. Presence in all the sessions doesn't a good MP make, some people would say. But then it can also be said that half an MP's job is done by attending and taking part in the proceedings.

Collantes tries to divide his time between attending the sessions and looking after the needs of fellow Batangueños. Some of them see him at his home in Forbes Park, Makati, which also houses his wife's business office. A greater number of his provincemates get a chance to talk to him right in their communities during weekends when the Collanteses motor to Batangas. Little by little, he gets to feel the pulse of

the people at close range and in a more relaxed manner than when he was in the thick of the campaign. In the process, he also gets to know more of Batangas' landscape and its politics.

This early, intramural rumblings for the 1986 local elections are starting to be heard in Batangas. At a KBL Batangas chapter meeting held at the Collantes home on June 30, a number of local leaders elected Collantes as their new chairman, replacing former agriculture minister Arturo Tanco, Jr., who resigned the chairmanship when he lost in the May polls. Several other Batangas party leaders, however, questioned Collantes' election. They cited an official letter to Tanco from Deputy Minister and KBL secretary general Jose Roño that "the President has not accepted your resignation." Roño also reportedly said of the reorganizational meeting in which Collantes was elected chairman, "Neither the President nor the central committee has authorized any organization and if such organization took place, the same cannot be considered valid." To all this, Collantes says: "An MP's worth is not measured by what his party thinks of him but by what he does by his peoples."

GENERAL VER REPLIES ON AFP DEFICIENCIES 20 OCTOBER

Manila BULLETIN TODAY in English 20 Oct 84 p 6

[Article by Apolonio Batalla: "The AFP's Side"]

[Text] Last Wednesday, we ran excerpts from the statement of US Assistant Secretary of Defense for International Security Affairs Richard L. Armitage describing the condition of the Armed Forces of the Philippines.

Mr. Armitage said among other things that defense spending had been reduced to only 1.8 percent of gross national product, the lowest per capita outlay in all of Southeast Asia.

In a letter to this space, Gen. Fabian C. Ver, Chief of Staff, says, "While we realize the need to increase the AFP budget, we also are aware of the government priorities in the light of present economic difficulties.

He mentions some things that have to do with AFP spending. He says:

"In support of our modernization effort, the AFP, through its Self-Reliance Defense Posture (SRDP) Program has attained self-sufficiency in small arms and ammunition and the capability to manufacture tactical radio sets and command vehicles to provide AFP units the basic combat needs for firepower, mobility, and communications.

"I have started the development of an AFP industrial complex for our SRDP industries. As of 1984, the AFP is self-sufficient in its requirement for basic armaments, such as the M16 rifle, 5.56 ammo for M16, 60mm and 81 mm mortar ammo and 40 mm rifle grenade ammo. On communications, three types of radio sets are continuously being manufactured. On mobility, the 1/2 ton truck and the 45 footer patrol craft of the Navy are now manufactured in-country. We feel that we have made a big step not only in self-reliance but also in saving foreign exchange for our country during these difficult times."

With regards to AFP discipline, General Ver says:

"Training and reorientation have been given greater emphasis in line with the new thrusts of the new campaign plan OPLAN KATATAGAN. Since 1981, operating



units have undergone retraining and reindoctrination on proper troop behavior and applications of civil relations in winning the support of the people as well as training on small unit tactics and basic combat skills. In improving the quality of leadership, all junior officers are now required to take basic career courses before assuming important positions. In the higher level, it is now mandatory for officers to graduate at the AFP Command and General Staff College before they are considered for promotion to Colonel or equivalent. The number of CGSC classes have been increased from two to three classes per year. A Technical Service CGSC Course has been introduced for doctors, nurses and lawyers to have a greater output of qualified officers.

"While our training programs are designed not only to infuse professionalism but also to instill discipline and proper attitude, we have devised a parallel measure to improve the mechanism to discipline the soldier by strengthening the Inspector General Service and the Provost Marshal to minimize disciplinary problems which will adversely affect the objectives of OPLAN KATATAGAN to win the hearts and minds of our people. Command Inspectors and Command PMs have been installed at RUC headquarters and major operating units to immediately respond to problems of discipline at lower levels. Lately, we have graduated two (2) IGS courses to man IGS offices."

OPLAN KATATAGAN is the "basic operational plan embodying the strategic concepts and guidelines to effectively neutralize CPP/NPA armed insurgents and the political infrastructure."

It departs from the traditional response to insurgency, which is combat-oriented. It adopts the philosophy that "the key to success or failure is popular support or winning the hearts and minds of the people."

Gen Ver says judging from the results as reported by field commanders, OPLAN KATATAGAN is gradually gaining headway.

CSO: 4200/144



**ZAMBOANGA, DAVAO DEL SUR REBEL ACTIONS REPORTED**

**Manila BULLETIN TODAY in English 20 Oct 84 pp 1, 12**

[Text] Twenty-eight persons, including a municipal postmaster and a barangay councilman, were killed by men believed to be members of the New People's Army (NPA) in Zamboanga del Sur and Davao del Sur, according to military reports yesterday.

At the same time, four suspected members of the NPA sparrow unit were boloed to death in Kabsalan and Naga towns, Zamboanga del Sur.

Reports reaching Camp Aguinaldo said that 12 persons were killed when rebels attacked barangays Parame and Osmena in Culop, Davao del Sur, last Wednesday. Four other persons were wounded.

Killed on the government side were civilian volunteers Domingo Sandoval, Juanito Cantar, and Vicente Cortes.

Civilian volunteer Eduardo Saragena and barangay captain Rosalino Badon of barangay Parame were among the wounded.

The nine slain civilians and the two other wounded were not identified in the report.

The attackers also burned 14 houses before leaving and got two Garand rifles issued to Sandoval and Cantar.

Pagadian City--Sixteen persons, including a municipal postmaster and a barangay councilman, were killed by suspected members of the New People's Army sparrow unit in separate incidents in Zamboanga del Sur.

Three suspected NPA liquidation squad members were boloed to death by five farmers in Kabsalan town while another was beheaded by two brothers in Naga town.

Col. Romeo Abendan, PC-INP provincial commander, identified the slain postmaster as Kusin Manidsin, 43, of Lakewood town.

Manidsin was shot dead in barangay Lubuan while on his way to Pagadian City. He was also reportedly robbed of an undetermined amount.

Also killed were two students, Rafael Dilorio, of Kumalaran town and Cesar Lacuna, 15, of Pagadian City.

Abendan listed the other fatalities as barangay council member Pedro Catao, 55, of Don Mariano Marcos; Benjamin Sais, 28, and Ismael Canama, 50, both of Naga; Ricardo Bahala, 33, of Dominga; Leopoldo Dumangag of Maya-Maya, Tambulig; Bebe Relativo, 24, of Midsalip; Venerando Lanog, 27, of Sugod, Tuburan; Isidro Sinaog, 40, of Midsalip; Reglito Kupin, 28, of Tubod, Lakewood; Roberto Gonzaga, 23, and Quirino Baron, 28, both of Liason, Tambulig; Modesto Bustillos, 48, of Dumalinao; and Dominador Cabal, 20, of Kumalaran.

Abendan identified two of the three rebels boloed to death as Ka Behot and Ka Manette. Their leader, a certain Commander Jayson, was wounded but managed to escape.

The rebels reportedly went to barangay Jambao, Kabasalan, to kill a village official when they were recognized by four farmers who attacked them with boloes.

The beheaded NPA member was identified as Fernando Quinid of barangay Sunitang, Naga.

CSO: 4200/144

DAVAO DAILY DEFINES ITS EDITORIAL POSITION

Davao City PEOPLE'S DAILY FORUM in English 13 Oct 84 pp 2, 3

[Commentary in the "Footprints" column by Tony Vn. Figueroa: "An Anti-government?"]

[Text] Many regard our opinions as anti-government, or anti-administration. This is because all they think we have been doing are hitting the Marcos regime, or kneading the military whenever we have the way.

Anti-government? Shit!

Personally, we believe in the notion that Marcos stays up there for as long as his term never expires; we adhere to the principle that force will never be utilized in demolishing the regime; we believe too that a proper check and balance can save the country from further punishment in the hands of foreign technocrats and intervenors.

Anti-government?

Can you call a Filipino an anti-government when he merely wants the corruptors to know that they have done so much against the will of the populace? Are not, even in a moment, the people allowed to insult the administration for all its excesses? Who cares about graft and corruption other than the people themselves who, time and again, have been called by the government as taxpayers?

We cannot always close our eyes even if we are wide awake; the truth about how things are, must be revealed no matter what the cost, and no matter who gets hurt. If, by profession, we must infuse more courage, then we must. And for this, we must not be mislabelled as anti-governor, or worse, subversive.

As Filipinos, it is foremost in our minds to save and preserve this country, even if it means total hardships. But this preservation lies more in the initiative we show so that the present administration, helpless as it is, be pushed back to normalcy.

Anti-government?

Can there be more anti-government than people who kill persons who comprise the government? Is it anti-government to shout to the four winds the aspirations and intents of the Filipino? Or is it anti-government to be concerned about what is happening to our country today?

We do not know how people, rightful in their own ways, can accuse us of anti-government posture? Does it mean that if you start commenting against the government, you are an anti-government? Ho-hum!!!

A colleague in the profession has commented about our column on anarchy. Thanks for the concern. It gives us pride, in a way, to know that we are also given the time to be discussed.

Let's open Webster and see what ANARCHY means.

Anarchy is "1. the complete absence of government 2. political disorder and violence 3. disorder in any sphere of activity."

Some people keep shouting, specially those who are pro-administration fellows, that anarchy existed in the streets when the demonstration and rallies were held in Mandiola against the government. How can that be? Thinking aloud the concept Webster gives us about anarchy, it is simple knowledge that in these civil disobedience activities, the government was present. Were the military, the local government officials and other sectors not part of the government? Is that anarchy?

And political disorder and violence. Who said the gripes of the students were more political than economic? And in most cases, there was never disorder and violence. Yes, there were few incidences of trouble, but they were not disorder, or violence per se.

To quote Webster, "disorder in any sphere of activity"—was this present had the military back off and left the demonstrators by themselves. And the barbed wire? Were they not the creation of the military and police?

Sir, in this country, there is no anarchy. The civil disobedience shown by those who abhor the present condition of the country simply portrays the dissatisfaction they have contra our administrators.

Anarchy? Ambot lang!

CSO: 4200/144

RUC XII 'LOVE CAMPAIGN' SUCCESS REPORTED

Davao City PEOPLE'S DAILY FORUM in English 13 Oct 84 pp 1, 3

[Text] Cotabato City--"Make love not war."

This dictum has been greatly responsible for enhancing civilian-military relations in Central Mindanao.

The regional unified command (RUC) 12 civil military operations centered (CMOC) reported that from January to August this year, the army's "love campaign" extended treatment to a total of 6,646 residents.

Likewise, 177 boxes of medicines were distributed to those needing them.

In a recent "love campaign" activity of the Philippine army's 38th infantry battalion of the first brigade, third infantry division based at Datu Piang, Maguindanao, a total of 1,805 indigent families from 18 barangays in Palimbang, Sultan Kudarat received medical and dental treatment and also foodstuffs.

The most important achievement of the campaign was that residents in the region were able to articulate their problems to military authorities, especially in the security aspect. As a result, immediate proper action was taken.

For example, a military detachment was established in the Palimbang area because the residents were worried about the security risks.

In a related development, a conflict between the native Manobos and Christian settlers in the same area was resolved, thanks to efforts of the love campaigners.

CSO: 4200/144

COLUMNIST ON BIAZON, TAN-GATUE, MARXISM

Davao City THE MINDANAO MIRROR-BULLETIN in English 15-21 Oct 84 p 2

[Commentary by Chuck Villamor: "Facing Students the Biazon Way"]

[Text] They just stood there and listened muscles flexed and tense. Nothing of the sort ever happened before...never...it just couldn't be...but it was there...this towering six-foot frame of a military man, calm, composed, softly talking to hard-core student demonstrators who had formed a human barricade at Bankerohan in support of a two-day crippling driver's strike that completely gripped the city into a standstill never before experienced hereabouts.

Moments before the students were hailed with gumbursts that sent them diving for cover, but they were still there, uncowed and firm as ever with every of gunfire. And then this man came. Leaving a jeepload of security men, he went deep into the barricade line, unarmed and alone, with only his guts and fatherly concern for the student-demonstrators towering above all. And why not? Three boys he also has in Manila, all fighting and seeking to uphold the democratic way of life in the manner that the students were at that precise moment. The confrontation was brief and precise. No demagogic rhetorics, only plain and simple sincerity.

The students dispersed voluntarily, of their own volition, with the only request that the soldiers be also dispersed. It was done, and what could have been another violent confrontation was thereby averted.

The tall, towering, six-foot frame of a military was no other than the now talked-about marine colonel, Rodolfo Biazon, commander of the 3rd Marine Brigade. May Davao City have more of your brand of military leadership.

The question posed by BGen. Dionisio S. Tan-Gatue, Jr. during last Saturday's Media-Military dialogue at the Regional Unified Command in Panacan is well worth the thinking it provoked among mediamen present at the time. For it seems indeed that many, especially in the military and the government sector, are unsure if media is its friend or foe. And rightly so. For in these times when lines are drawn, minds have to be made up whether we are for the preservation of the democratic ways of life into which we were born or we are to embrace a new of life--that endless, ceaseless search and struggle for a classless society leading to a utopia on earth, according to Karl Marx, but which



up to the present time has never found enjoyment nor fulfillment by its original proponent--Soviet Russia. For until now, it is undeniable that no classless society has ever existed in any part of the globe even in Russia.

Tan-Catue, we are sure, never meant that criticisms should not be hurled against the military. Far from that. To hazard a thought, what perhaps was meant was to criticize within the perimeter of an issue, and not go beyond its bounds to the extent of promoting the "other side of midnight"--the promotion of an opposing "ism." For as one scholar on dialectal materialism puts it, Marx's "dictatorship of the proletariat" wasn't meant to be a tyranny of the peasants, yet this has been sadly misinterpreted by present-day followers of Marx's teachings.

And such a tyranny was in a small measure manifested during the two-day supposed drivers' strike when even vendors were threatened together with others should they pursue their usual livelihood during the strike. And this was interpreted as "public welfare" the public allegedly sympathizing with the illegal acts. Yes, how many inequities have been committed in the name of "public welfare."

Another 5-day drivers-operators strike again goes the rounds. It is our hope that the same mistake won't be repeated, for we are sure that "public welfare" sympathy won't be gained this time. The two-day standstill experience was enough. The public won't go for it anymore, and this should be considered by the striking leaders. One is enough, two is too much, three is poison to kill a person.

And let us not use our children, our students, please. For a student's cause yes, by all means, the students must march for redress of grievances, but not for a cause alien to their interests. Why use them like pawns in a chess game to be sacrificed so that ambitious leaders may gain a headway and achieve prominence in whatever interests they so desire...political or otherwise?

Remember that Marx by his "dictatorship of the proletariat" never meant the "Tyranny of the proletariat." This is the sad misinterpretation. For tyranny from whatever source it emanates, be it from the bourgeoisie or the lumpenprole is abhorrent. So be it.

CSO: 4200/144

DAVAO PAPER PRAISES VIRATA NEGOTIATIONS WITH IMF

Davao City THE MINDANAO MIRROR-BULLETIN in English 15-21 Oct 84 pp 1, 6

[Article by H. C. Molina]

[Text] Prime Minister Cesar Virata did it again.

Virata, along with Central Bank Gov. Jose Fernandez, successfully defended before the International Monetary Fund (IMF) the country's national recovery and stabilization program.

Virata has proven anew his competence and leadership as a high government official.

Virata, 58, had always been stoic, despite the adverse criticisms hurled against him.

Before he left for the United States, in mid-September this year, he was the target of an "ouster" move by the coalesced opposition.

The "no-confidence" vote against him was filed at the Batasan for failing to check wrongdoings in the government on the doctrine of "command responsibility."

The "oust Virata" move, however, did not materialize because the ruling Kilusang Bagong Lipunan (KBL) had presented a resolution, reposing their trust and confidence in him as an astute and dedicated public servant.

When Virata was interviewed by newsmen if he had any notions to resign, he said that he has still a lot of work to do.

He added that he has mission to fulfill first--to help in the economic recovery of the Philippines--before bowing out from the government.

Imbued with nationalistic fervor, he wants the Philippines to be back to its feet and attain the self-reliance posture or stability it once enjoyed.

The 58-year-old mambabatas pambansa from Cavite, is expected to be back in Manila next week.

He is currently negotiating with officials of the foreign banks for the re-scheduling with the country foreign debt totally 25.6 billion dollars.

Amid the current financial crisis, Virata seems to be just one of the few Filipino government officials that have earned and enjoyed the respect and admiration of foreign bankers.

They have faith in his leadership.

CSO: 4200/144

COLLANTES ASSAILS SUGAR MONOPOLY

Manila BULLETIN TODAY in English 21 Oct 84 pp 1, 12

[Text] Member of Parliament Manuel Collantes (KBL, Batangas) singled out yesterday what he called the "monopoly structure" of the local sugar industry as "one of the sorest ills of the national economy."

He told the Batangas Integrated Sugar Planters Cooperative Marketing Association in a speech in Lipa City that this monopoly resulted in huge losses to the people and crippled incentives to production.

Collantes alleged that the National Sugar Trading Corp. (Nasutra) allowed the purchase of 560,000 bags of refined sugar under "questionable circumstances" in June this year.

According to him, this transaction resulted in the loss of P32.4 million to Nasutra.

"These excesses continue to deepen the disenchantment of those who would like to sincerely help in a viable economic recovery program," Collantes said.

He cited some findings of the University of the Philippines School of Economics in a study on Nasutra's monopoly, including a loss of sugar producers of some P11.6 to P14.4 billion in 1974-82.

Among the findings were an increase in the marketing chain which resulted either in higher marks-ups or a redistribution of income from actual traders to favored "paper" traders, or both; no increase in trading efficiency and therefore no increase in foreign exchange, loss of foreign exchange due to financing of operations through foreign loans; and operating losses of the sugar agencies in spite of gross profit from the differential between export revenues and purchase cost.

Collantes noted that the Commission on Audit reported that Nasutra incurred a loss of more than P1 billion from 1978-1981.

"Half of these obligations have been paid and the other half hopefully, is going to be paid" Collantes said. "But palliatives like this will not be enough to save the industry."

He said he had made representations with Nasutra to settle this obligations with sugar planters in his province.

He mentioned the warning of Labor Minister Blas Ople that some 100,000 sugar workers may lose their jobs. For the first time in 47 years, Binalbagan Isabela Sugar Co had to lay off some 500 workers, he added.

Collantes said the Batasan probe into activities of Nasutra and the Philippine Sugar Commission "is just a first step in the radical surgery of the dreadful cancer that now ails the once mighty sugar industry."

CSO: 4200/144

FARMERS GROUPS CAMPAIGN AGAINST 'ONEROUS' AGRICULTURE PROGRAMS

Quezon City ANG PAHAYAGANG MALAYA in English 15 Oct 84 pp 1-2

[Article by Joel C. Paredes and Noel Bartolome]

[Text] Organized peasant groups have started moves for a nationwide concerted campaign against what they consider onerous government agricultural programs, including the 12-year-old land reform scheme, which they described as "farcical."

The Forum for Rural Concerns (FRC) led 21 organizations in declaring this coming Thursday until Sunday the Peasant Solidarity Week, during which peasant leaders will gather in Manila to draw up plans in pushing for genuine land reform in the country.

The national consultative assembly of the peasant organizations will also formally launch a nationally-coordinated action to be waged by peasants, according to Joel Rodriguez, FRC executive director.

Peasant leaders all over the country are expected to testify on the actual nature of the land reform program. The aim is to expose the government's massive barrage of "empty propaganda" on its agricultural program as against the actual conditions prevailing in the farming sector.

The peasant gathering will coincide with the celebration of the declaration of land reform is traditionally observed every third week of October since its promulgation in 1972, the year martial law was declared in the country.

FRC said despite the government agricultural programs, the peasants remain poor because it failed to serve the actual needs of the peasants, including the problem of coping with the spiralling prices of agricultural inputs such as fertilizers and pesticides.

During the four-day gathering at the National Press Club, the preasants are expected to draw support from urban sectors through information and educational campaigns on the conditions existing in the countryside and how these conditions affect them.



On Sunday, solidarity protest action will be held in Angeles City where marchers from different points will converge in a poverty march; rallies in Naga City and Legaspi City in Bicol; a peasant march in Iloilo City; march-rallies in Sta. Catalina, Guihulngan and Bais in Negros province to be spear-headed by the Small Farmers' Association in Negros (SFAN); and a farmers rally in Bacolod City; liberalization of the fertilizer industry and what they considered "militarization" in the countryside "inimical to the farmers' interests."

The Central Luzon farmers will raise similar issues during the Peasant Solidarity Week. They are also expected to bat for the reduction of cost of production through government subsidy, low irrigation and farm machineries rentals.

Participating in the farmers' gatherings were the Aguman da Reng Maglalantang Capampangan--Pampanga, Aguman de Reng Maglalautan Capampangan--Tarlac, Samahang Magsasaka ng Bataan, Alyansa ng Magsasaka sa Bulacan and the Aniban ng Kaisang Magsasaka ng Aurora.

Jaime Tadeo, reelected chairman of AMGL, demanded the immediate return of government subsidy on fertilizer and pesticide to roll back the present prices and cut the cost of rice production.

He said the high cost of farm chemicals also decrease the rice output of farmers, since they cannot afford the fertilizer and pesticide requirement per hectare.

Tadeo stressed that the subsidy can be taken out of the huge military budget, which the government had given more priority than agriculture.

However, he said the channeling of the subsidy to four local farm chemical manufacturers, which was done in the past, must be changed, and instead, the money must be given to the Ministry of Agriculture and Food (MFA).

He said the previous monopoly of the the big four companies, Planters Products Inc., Atlas Fertilizer, Ma. Cristina Inc., and Fertilizer Marketing, failed to cut the price of farm chemicals and only buried farmers into debts.

"The unity of all farmers in the country is drastically needed to combat the problems that confront the peasants, which foreign domination of agriculture had caused," Tadeo said.

Likewise, Jose Suarez, chairman of the Pinagisang Lakas ng Gitnang Luzon sa Adhikain (PIGLAS), a multi-sectoral group in the region, urged the government to return the subsidy on farm chemicals to lessen the burden on rice production.

He said that the government must stop expensive projects for tourism, and instead provide more money to agriculture to help the depressed farmers and augment their income.

During the AMGL Convention, the farmers approved the following resolutions:  
1) rollback of farm chemical prices to cut cost of rice production, 2) establish a genuine land reform program and stop to corporate farming "that legalizes land grabbing by big corporations," 3) total organization of farmers and farm hands to fight for democratic rights, and 4) solidarity with the other sectors of society.

New AMGL officers were also elected at the 1st convention of the alliance. Elected were; Jaime Tadeo, chairman; Daniel Hualda, 1st vice chairman; Rafael Mariano, 2nd vice chairman; Miguel Caliwag, secretary; Romeo Robles, treasurer; Virgilio Ubaldo, pro, and Leo Medina, auditor.

CSO: 4200/132

BALWEG'S BROTHER ELUDES ABRA PC

Quezon City ANG PAHAYAGANG MALAYA in English 15 Oct 84 pp 1, 2

[Article by Larry Sipin and Orly Guirao]

[Text] CAMP JUAN, Laoag City, Oct. 14--An older brother of rebel priest Conrado Balweg eluded a wildcat attack unleashed by the military deep in the jungles of Abra the other day, in an encounter that raised the possibility that Northern Luzon rebel forces are enjoying foreign support.

Brig. Gen. Tomas Dumpit, Task Force Amianan commander, disclosed that rebels, believed led by Jovencio Balweg, alias Ka Ruby, and New People's Army North West Front commander Cesar Barona, alias Ka Totong, suffered 7 casualties but escaped when the attention of military raiders were drawn by a red-colored helicopter piloted by a "black" American.

The helicopter reportedly covered the withdrawal of the dissidents as they abandoned their camp in the jungle sitio of Lan-Ag, Camaluba, Cama, Abra after a two-hour gunbattle.

Dumpit's disclosure gave rise to suspicion that rebel forces in the area may be getting assistance from foreign elements.

Military authorities, however, would neither confirm nor deny if they had intelligence reports on the alleged foreign support of rebel action.

Reports reaching Task Force Amianan headquarters here said an estimated 70 rebels were caught by surprise by the raiding team from the 46th Marine Battalion.

The rebels retreated to the mountains of Kalinga, Apayao leaving subversive documents, armalite guns and ammunition, medical kits, various supplies and provisions, and improvised jungle packs.

An armed band of more than 50 NPA members believed to have come from border towns of Ilocos Norte reportedly tried to set a quick retaliatory attack, but they were repelled by the advancing troops.

Official constabulary reports said 7 rebels were killed and two troopers, wounded. The names of the casualties were not available.

Unconfirmed reports indicate that a military helicopter was damaged by rebel marksmen during the encounter.

The encounter was the first major confrontation between government and rebel forces since Task Force Amianan was organized by Armed Forces Chief of Staff Gen. Fabian Ver last month.

Dumpit, pulled out of the Presidential Security Command to head the Task Force, said the military drastically reversed its "static" approach in Northern Luzon counter-insurgency campaign by adopting an aggressive, offensive stance.

"From now on, there will be no let-up," Dumpit said, as he stressed the military's resolve to check dissident activities in the Ilocos Region and Mountain provinces.

Dumpit has repeatedly said the Task Force was deployed in the Ilocos region to do civic action work, but it is widely believed here that the Task force was formed to flush out Fr. Balweg from his Mountain sanctuaries.

Military insiders here, however, said that Cesar Barona, or Ka Totong, a former Laoag student leader who fled to the hills after his wife and grandmother were killed allegedly by the military, is the dominant NPA leader in Northern Luzon. Fr. Balweg, they said, only looms large because he is good media copy, being a Catholic priest.

CSO: 4200/132

**SQUATTERS PICKET CARDINAL'S RESIDENCE OVER EJECTION**

**Manila PHILIPPINES DAILY EXPRESS in English 21 Oct 84 p 3**

**[Text] Some 2,000 squatters, seeking a dialogue with Jaime Cardinal Sin, picketed the Bishop' Palace in Manadaluyong yesterday afternoon.**

**The picketers arrived at 1:45 p.m. carrying placards some of which read: "Sin, give the land to the poor," "Sin, are you trying to become another Komeini?" and "Sin, stop oppressing the poor."**

**They are asking the prelate to intercede in their behalf for the withdrawal of ejection charges filed against them by the Archdiocese of Manila which owns the 30,000 sq.m. land they have been occupying since 1982.**

**Enrique Piloto, president of the Sr. Sto. Nino Neighborhood Association, said they would vacate the land, located along Meralco ave near the Eastern Police District headquarters in Pasig, provided they were assured of a relocation site.**

**The picketers dispersed peacefully at 3 p.m. after they failed to meet with Cardinal Sin. They vowed, however, to stage similar action in the coming days until the Cardinal agrees to meet with them in a dialogue.**

**Lawyer Sabino Padilla, counsel for the Archdiocese tried to talk to the picketers but the squatters insisted on talking only with the Cardinal.**

**Padilla told reporters that a powerful group was backing the squatters who moved in to the area equipped with a bulldozer. He did not elaborate.**

**CSO: 4200/144**

## BRIEFS

NAJFD RESOLUTION—Saying "every necessary effort to condemn and protest the decision of the Agrava Board should it fall short of indicting the US-Marcos dictatorship," professionals, workers, peasants, women and students representing 17 big organizations and alliances Friday drafted a resolution scoring the delay in the issuance of the Aquino investigation results. Sponsored by the Nationalist Alliance for Justice, Freedom and Democracy (NAJFD), the forum also noted that "an increasing number of Filipinos are also indicting today the United States for Equal culpability (for the Aquino assassination) arising from its continued support of the tyrannical Marcos regime." Sharing the panel of discussants that led the forum were Alexander Padilla, NAJFD Secretary General, Medardo R. Roda of Piston(jeepney drivers and workers' alliance), Jose Castro, Jr. of the Coalition of Organizations for the Restoration of Democracy (CORD) and Mrs. Etta Rosales, head of the national Alliance of Concerned Teachers. [Text] [Quezon City VERITAS in English 21 Oct 84 p 4]

CSO: 4200/144



EDITORIAL ON CONTROL OF "INFORMAL" FINANCE MARKETS

Bangkok SIAM RAT SAPPADA WICHAN in Thai 9 Sep 84 p 2

[Editorial: "Informal Investments"]

[Text] At the cabinet meeting last Tuesday, the Ministry of Finance and the units concerned, including the Bank of Thailand, the Ministry of Interior and the Police Department, spoke about informal investing, which is being carried on secretly and which involves large sums of money. Also, low-income people in the provinces are becoming involved in this and so this is becoming worrisome.

After listening to this report, the cabinet issued a resolution to prevent possible widespread losses. The following are to be carried out immediately:

1. All government sectors and state enterprises are to enjoin the civil servants and other officials in their organizations to be especially careful about investing money in schemes that yield high returns if they don't know what the borrowers are using the money for.
2. The Ministry of Interior is to inform all provincial governors that they are to help carry on public relations activities to inform the people about this matter.
3. The Ministry of Finance, in conjunction with the Public Relations Board, is to carry on public relations activities in order to inform people everywhere of the danger of this.
4. The Ministry of Interior is to monitor things closely. If it finds that any law has been violated, immediate action must be taken in accord with the law.

This problem concerning informal investments, or secret financial activities, is a problem that people have been talking about for a long time now. Such activities are very popular among people, examples being the Mae Chamoi and Mae Nokkaeo share funds. Concerning the Mae Chamoi share fund, investors invest 160,000 baht and receive 10,400 baht a month in interest. As for the Mae Nokkaeo share fund, investors invest 100,000

baht and receive 7,000 baht a month in interest. What is worth noting is that these informal financial activities have been going for several years now. But to date, no problems have arisen to the point where cases have been taken to court, unlike pooling funds in general, which have caused many problems for investors and about which stories frequently appear in the press.

Concerning these investments or financial activities, while no one knows what the money is used for, investors receive a return of 6-7 percent a month on their money while formal investments, or formal financial activities, yield a return of only 13-15 percent a year. It is estimated that the amount of revolving capital invested in the informal markets is 8-10 billion baht.

The Bank of Thailand once informed a House subcommittee about this. It confirmed that people participating in such activities had opened more than 1,000 saving accounts at commercial banks. What the money was invested in could not be determined. But since no law had been broken, no action could be taken. Action can be taken only if a law is broken or if people who have suffered losses make an appeal.

What we find strange is that even though the government has many tools, that is, officials, it has not been able to find out what those involved in these activities use the money for. Thus, people feel sure that powerful and influential people are secretly supporting this. Because of this, we feel that, by itself, the above resolution by the cabinet will not be able to solve this problem or prevent people from suffering losses in the future. Rather, this is just the government's way of disclaiming any responsibility.

11943

CSO: 4207/16

## THAILAND

### FURTHER REPORTAGE ON KPNLF CRIMES ALONG BORDER

#### Extortion Cases

Bangkok THAI RAT in Thai 1 Sep 84 pp 1, 2, 16

[Article: "Outbreak of Robberies, Killings and Kidnappings"]

[Excerpts] Khmer Serei bandits have run rampant, committing robberies, killings and kidnappings in villages along the Thai-Kampuchean border. These are the bandits who fired at the car of a hospital director, killing the doctor. The Burapha Force has been asked to hunt down these bandits and suppress them. The director of the Aranyaprathet Hospital said that the director of the Taphraya Hospital was killed while carrying out his duties. He was on his way to a conference when he was killed.

A reporter stationed in Aranyaprathet District reported that in investigating the matter and hunting for these bandits, the police have asked Special Action Unit 411 of the Burapha Force and Thahan Phran Irregular Unit 480 to cooperate by positioning forces to block the routes mostly likely to be used by the bandits in fleeing, particularly the border trails into Kampuchea. To track down the members of this gang, Police Major Wanchai Topan, the inspector at the provincial police station in Taphraya District, has formed suppression and investigation teams in several places. There have been reports that these bandits are probably Khmer Serei forces since their behavior is very suspicious.

From the investigation, it has been learned that this Khmer Serei gang, which is based at the Nong Samet Camp opposite Ban Nong Samet in Khoksung Subdistrict, Taphraya District, is composed of approximately 12 men who are armed with war weapons, including AK rifles, RPGs and grenades. These bandits have been robbing people, raping women and kidnapping people for ransom. To date, more than 10 cases have been reported in Ban Thap Siem and Ban Nong Samet in Khoksung Subdistrict and in Ban Nang Ngam, Ban Nong Mang, Ban Nong Met and Ban Bong Waeng in Taphraya District. However, not one villager has reported this to the police since most of the victims have violated the law, too. For example, they are engaged in smuggling contraband goods and selling them in Kampuchea. As for the method used by these bandits, they set up an illegal checkpoint

along the border and collect a tax from the merchants. And they rob, rape and kidnap people. The police can't take resolute action against them because of the lack of cooperation on the part of the victims. In particular, whenever there is a clash with officials, these bandits flee across the border into Kampuchea and so [Thai] officials cannot pursue them. One person who has seen this gang has confirmed that the leader of this gang is blind in the left eye, his throat is discolored and he has dark patches on his face.

One local politician in Taphraya District, who asked that his name not be mentioned in the interest of personal safety, told our reporter that he has received many appeals concerning this gang, which is running rampant. But he has not been able to do anything. Thus, he wants the Burapha Force to help suppress these bandits.

#### Troops in Uniform

Bangkok BAN MUANG in Thai 12 Sep 84 pp 1, 2

[Article: "Requests Made to Have Special Combat unit Suppress the Kampuchean Bandits Who Are Harrassing Villagers Along the Border"]

[Excerpts] Kampuchean bandits armed with war weapons have robbed merchants and highway construction workers. And they shot at members of Border Patrol Police Platoon 201, seriously wounding one official. This occurred at 1530 hours on 10 September, as BAN MUANG has already reported. Police Colonel Thongun Charoensom, the superintendent of the Region 2 BPP sent BPP officials and two T-150 armored vehicles to provide support in order to suppress these Kampuchean bandits since they have been causing trouble for the Thais and foreigners who have come to help the Kampuchean refugees along the border. On 11 September, while travelling between Taphraya and Aranyaprathet districts, Police Lieutenant Colonel Seksan Bunsamran, the deputy superintendent of the Region 2 BPP and the head of the team responsible for suppressing these Kampuchean bandits, talked with reporters at Ban Nong Mang in Nong Waeng Subdistrict, Taphraya District, Prachinburi Province. He said that all during the night of 10 September to the morning of 11 September, BPP forces followed the trail of the bandits. They are probably still in the Khao I Dang, Ban Thap Siem and Ban Nang Ngam area, which is a contiguous but very large area. Thus, it is difficult to intercept them. As for using helicopters to help make patrols by air, which is an effective method, this cannot be done because this area is located 5 km from the Thai-Kampuchean border. It is feared that the helicopters would attract fire from the enemy. And so the matter has been referred to a superior unit for consideration.

The 6-wheeled Toyota Dyna truck that was fired on and damaged has been towed to the Ban Nong Mang operations base. In searching for the Kampuchean bandits, [officials] have found a Datsun diesel pickup truck, license No Prachinburi N-0929, which the bandits had stolen just 30 minutes before this other incident occurred. This truck belonged to Mr Anong

Khunkongkaeo, age 30, the manager of a road construction company of the N. Company. He said that he had parked the truck at the edge of the forest between Ban Nong Mang and Ban Thap Siem. During the questioning, Mr Anong said that the bandits all spoke Cambodian and that there were about 30 in the gang, two of whom were women. All were armed with war weapons such as RPGs, AD rifles and hand grenades. The bandits were about 20 years old. The bandits forced Mr Anong to give them 1,700 baht in cash, his watch and a ring valued at 4,000 baht. He was even forced to take off his socks and shoes. At first, one of the Kampuchean bandits was going to shoot him. But another member of the gang stopped him. Besides this, the bandits told him that they were the ones who had used an RPG to destroy the car of Dr Kakoksak Phunkaset, the director of the Taphraya Hospital on the evening of 29 August. They took a doll that had been in the car.

Mr Li Khunhasuk, the village headman at Ban Nong Mang, said that some of these Kampuchean bandits were dressed in green uniforms while others were dressed in camouflage clothes resembling army uniforms. Almost all of them wore red pieces of cloth around their necks like Khmer Rouge troops. They came and threatened the villagers in order to obtain food and other items while the villagers were working in the fields. The villagers are all suffering from this. When Border Patrol Police are present, the Kampuchean bandits can't cause too much trouble and so the villagers feel better.

#### Gang Active For a Year

Bangkok BAN MUANG in Thai 31 Aug 84 pp 1, 2

[Article: "Kampuchean Bandits Kill Doctor, Have Been Active For More Than a Year"]

[Excerpt] Dr Kanoksak Phunkaset, the director of the Taphraya Hospital, was ambushed and killed by border bandits. His car was hit by an RPG round as he was driving along Thanwithi road, as has already been reported.

A reporter reported that Police Major Wanchai Topan, the inspector at the provincial police station in Taphraya District, has formed teams of police officials to track down the bandits. Agents have been sent to several border villages to gather information. Officials are determined to arrest these bandits.

It is thought that the suspects are members of a Khmer Serei gang active in the Nong Samet area, which is opposite Khoksung Subdistrict in Taphraya District in Thailand. There are about 12 bandits in this gang, and they are all armed with war weapons. They have been robbing, killing, raping and kidnapping people. But none of the victims has reported anything since the victims are merchants who are engaged in smuggling goods across

the border and in other such illegal activities. The bandits watch the routes used by the Thai merchants to smuggle goods. And they have set up illegal checkpoints to extort money. One man provided a description of the bandits, saying that one of the bandits was blind in the left eye. He said that another one had a dark spot on his face and that another had a discolored neck.

One official in Taphraya District told reporters that these bandits have been active since last year. They have caused so much trouble for the people that appeals have been made to send in troops from the Burapha Force, which is commanded by Major General Phichit Kunlawanit. The people believe that if the military sends in suppression forces, the troops will resolutely eliminate these bandits.

11943

CSO: 4207/19

POSSIBLE SUCCESSORS TO ATHIT AS RTA CINC NOTED

Bangkok MATICHON SUT SAPDA in Thai 16 Sep 84 pp 11-13

[Article: "The Army Path--Who Will Become RTA CINC After Athit Retires?"]

[Text] Gen Athit Kamlangek was born on 31 August 1925. Gen Thienchai Wirisamphan was born on 19 January 1924. Gen Ongat Suphamat was born on 5 November 1924. And Gen Mana Pattanakoset was born on 15 September 1925.

Using the "retirement table" in the book "Baep Thamniem Thahan" [Military Traditions] by Col Thawit Plengwithaya as a measure, those born between 1 October and 31 March 1924 and between 1 April and 30 September 1925 [as printed] must retire from government service on 1 October 1985.

Thus, because of the dates of birth of these four generals, on 30 September 1985, four important army positions will open up because of the retirement of these generals:

Gen Athit Kamlangek will retire as RTA CINC.

Gen Thienchai Sirisamphan will retire as deputy RTA CINC.

Gen Ongat Suphamat and Gen Mana Rattanakoset will both retire as assistant RTA CINC.

It can be seen that after September 1985, the only army general left will be Gen Banchop Bunnak, the army chief of staff. He was born on 10 December 1925 and so will retire on 30 September 1986.

It is clear that if Gen Athit Kamlangek is not granted a 1-year extension as RTA CINC, this position will definitely go to Gen Banchop Bunnak.

But if Gen Athit is granted a 1-year extension, Gen Banchop would become either (1) the deputy RTA CINC or (2) the chief of staff of the army, which is a position for a general at the same rate as "field marshal". At the same time, the positions that open up will provide an opportunity for officers with the rank of lieutenant general.



## Lieutenant Generals Holding Important Positions In Order of Seniority

During the military reshuffle of 1984, officers who were promoted to lieutenant general in 1979, such as Lt Gen Samphat Phasonyongphinyo, and in 1981, such as Lt Gen Wisitphon Wongthai, were promoted to full general and assigned to Supreme Command Headquarters. The senior lieutenant generals remaining were all officers who made rank since 1982. The officers who have held the rank of lieutenant general since October 1982 include:

1. Lt Gen Chawalit Yongchaiyut: He was promoted to major general in October 1978 and made an aide to the minister of defense. In October 1980, he was made the director of operations. He was promoted to lieutenant general in October 1982 and made the assistant RTA CINC for operations. In October 1983, he was made the deputy chief of staff of the army.
2. Lt Gen Chuthai Saengthawip: He was promoted to major general in October 1978 and made an "army expert." In October 1979, he was assigned to Army Headquarters. In October 1982, he was promoted to lieutenant general and made the assistant chief of staff for intelligence. In October 1984, he was made the deputy chief of staff of the army.
3. Lt Gen Suraphon Bannakitsophon: He was promoted to major general in October 1979 and made the commander of the Udorn Military District. In October 1980, he was made the commander of Combat Support Headquarters 2. In October 1981, he was made the deputy commanding general of the Second Army Area. He was promoted to lieutenant general in October 1982 and made the chief of the Office of the Army Comptroller, a position that he held for 2 years. In October 1984, he was made the assistant chief of staff for logistics.

As compared with the transfer of such "army comptrollers" as Lt Gen Chamnan Nilawiset, who was made the deputy chief of staff in October 1979, and Lt Gen Phaichit Somsuwan, who was promoted to full general and made the assistant RTA CINC in October 1982, the transfer of Lt Gen Suraphon Bannakitsophon in October 1984 is a transfer at the same level and not a promotion.

4. Lt Gen Charu Chatikanon: He was promoted to major general in October 1976 and made the commander of the Songkhla Military District. In October 1978, he was made the deputy commanding general of the Fourth Army Area.

From the standpoint of who has held the most important positions, Lt Gen Chawalit Yongchaiyut must be considered to be the one who has held the more important positions.

However, Lt Gen Charu Chatikanon was born on 30 June 1925 and so will retire on 30 September 1985.

Lt Gen Chuthai Saengthawip was born on 8 January 1925 and so will retire on 30 September 1985.

Lt Gen Suraphon Bannakitsophon was born on 5 January 1927 and will retire on 30 September 1986 [sic].

Lt Gen Chawalit Yongchaiyut was born on 25 May 1932 and will retire on 30 September 1992.

From the standpoint of seniority in position and date of promotion to lieutenant general, the three remaining lieutenant generals, that is, Lt Gen Chuthai Saengthawip, Lt Gen Suraphon Bannakitsophon and Lt Gen Chawalit Yongchaiyut, are all qualified to be promoted to full general.

#### Officers Promoted to Lieutenant General In October 1983

1. Lt Gen Thiep Kromsuriyasak: He was promoted to major general in October 1976 and made the commander of the 9th Division. In October 1978, he was made the deputy commanding general of the Third Army Area. In October 1983, he was promoted to lieutenant general and made the commanding general of the Third Army Area.

2. Lt Gen Wanchai Chitchamnong: He was promoted to major general in October 1980 and made the chief of staff of the Fourth Army Area. In October 1982, he was made the deputy commanding general of the Fourth Army Area. And in October 1983, he was promoted to lieutenant general and made the commanding general of the Fourth Army Area.

3. Lt Gen Akkhaphon Somrup: He was promoted to major general in October 1979 and made a special army operations officer. Following that he served as chief of staff of the Territorial Defense Corps and the deputy chief of the Territorial Defense Corps. In October 1982, he was made the commander of the Artillery Center. He was promoted to lieutenant general in October 1983 and made the assistant army chief of staff for personnel.

4. Lt Gen Wanchai Ruangtrakun: He was promoted to major general in October 1981 and made the chief of staff of the First Army Area. He was promoted to lieutenant general in October 1983 and made the assistant army chief of staff for operations.

5. Lt Gen Kamhaeng Chanthawirat: He was promoted to major general in October 1979 and made the director of intelligence. In October 1982, he was made the deputy chief of the Territorial Defense Corps. In October 1983, he was promoted to lieutenant general and made the assistant chief of staff for logistics. In October 1984, he was made the assistant chief of staff for intelligence.

6. Lt Gen Sonthi Ketuphar: He was promoted to major general in October 1981 and made the chief of staff of the Institute of Army Academies. In October 1983, he was promoted to lieutenant general and made the commander of the Institute of Army Academies.

Lt Gen Thiep Kromsuriyasak was born on 27 November 1924 and so will retire on 30 September 1985.

Lt Gen Wanchai Chitchamnong was born on 30 October 1926 and so will retire on 30 September 1987.

Lt Gen Akkhaphon Somrup was born on 29 October 1926 and will retire on 30 September 1987.

Lt Gen Wanchai Ruangtrakun was born on 13 July 1932 and will retire on 30 September 1992.

Lt Gen Kamhaeng Chanthawirat was born on 19 April 1926 and will retire on 30 September 1986.

Lt Gen Sonthi Ketuphan was born on 15 December 1925 and will retire on 30 September 1986.

#### Officers Promoted to Lieutenant General In October 1984

1. Maj Gen Phichit Kunlawanit: He was promoted to major general in April 1981 and made the commander of the 1st Division. In October 1983, he was made the deputy commander of the First Army Area, which he held concurrently with the position of commander of the 1st Division. In October 1984, he was promoted to lieutenant general and made the commanding general of the First Army Area.

2. Maj Gen Phisit Mobut: He was promoted to major general in October 1980 and made the commander of the 6th Division. In October 1982, he was made the deputy commanding general of the Second Army Area. In October 1984, he was promoted to lieutenant general and made the commanding general of the Second Army Area.

3. Maj Gen Sunthon Khongsomphong: He was promoted to major general in October 1981 and made the commander of the Army Air Center. In October 1983, he was made the deputy commander of the Special Warfare Command. And in October 1984, he was promoted to lieutenant general and made the commander of the Special Warfare Command.

4. Maj Gen Charuai Wongsayan: He was promoted to major general in October 1981 and made the commander of the Second Army Circle. In October 1983, he was made the deputy commander of the Special Warfare Command. In October 1984, he was promoted to lieutenant general and made the assistant army chief of staff for civil affairs.

5. Maj Gen Charat Wongsayan: He was promoted to major general in October 1981 and made the deputy chief of the army comptroller. In October 1984, he was promoted to lieutenant general and made the chief of the army comptroller.

6. Maj Gen Wichit Wichitsongkhram: He was promoted to major general in October 1980 and made a special army operations officer. In June 1981, he was made the director of the Office of Research and Development. In October 1981, he was made the director of logistics. In October 1984, he was promoted to lieutenant general and made the commander of the Army Weapons Production Center.

7. Maj Gen Atsawin Thephada: He was promoted to major general in October 1980 and made an army expert. In October 1982, he was made the deputy chief of the Medical Department. In October 1984, he was promoted to lieutenant general and made the chief of the Medical Department.

8. Maj Gen Singha Saowaphak: He was promoted to major general in October 1977 and made the director of the Anan Mahidol Hospital. In October 1981, he was made the director of the Phra Mongkut Klao Hospital. In October 1984, he was promoted to lieutenant general and made the director of the Phra Mongkut Klao Medical Center.

9. Maj Gen Anat Suphatraphan: He was promoted to major general in October 1980 and made the assistant chief of the Ordnance Department. In October 1981, he was made the deputy chief of the Ordnance Department. In October 1984, he was promoted to lieutenant general and made the chief of the Ordnance Department.

10. Maj Gen Pawatwong Hutasewi: He was promoted to major general in October 1979 and made an army expert. In October 1980 he was assigned to Army Headquarters. In October 1982, he was made the commander of the Lopburi Military District. In October 1983, he was made the deputy chief of the Army Field Forces Department. In October 1984, he was promoted to lieutenant general and made the chief of the Army Field Forces Department.

#### The Army In 1985 After the Retirement of Gen Athit

If Gen Athit Kamlangek retires at the usual age, the position of RTA CINC will definitely go to Gen Banchop Bunnak.

The position of deputy supreme commander will probably go to Lt Gen Chuthai Saengthawip, just as Lt Gen Sup Aksaranukhro was transferred from his position as deputy chief of staff of the army and made the deputy RTA CINC in October 1982.

If nothing bad befalls him, Lt Gen Suraphon Bannakitsophon has a chance to become the assistant RTA CINC, just as do Lt Gen Wanchai Chitchamnong and Maj Gen Phichit Kunlawanit, if the "three-step ladder" is so strong that no one can oppose it.

As for Lt Gen Chawalit Yongchaiyut, he will almost certainly be made the army chief of staff.

It's likely that some officers such as Lt Gen Akkhaphon Somrup, Lt Gen Sonthi Ketuphan and Lt Gen Pawatwong Hutasewi will be promoted to full general and assigned to Supreme Command Headquarters.

Lt Gen Wanchai Ruangtrakun has a good chance of becoming deputy chief of staff.

#### The Army In 1985 If Gen Athit Is Granted an Extension

If Gen Athit Kamlangek is granted a 1-year extension, Gen Banchop Bunnak would become either the deputy RTA CINC or the chief of staff officers.

If Gen Banchop becomes the deputy RTA CINC, Lt Gen Chawalit Yongchaiyut will probably become the army chief of staff. If Gen Banchop Bunnak becomes the chief of staff officers, the person most likely to be made army chief of staff is again Lt Gen Chawalit.

As for the other positions, these will certainly go to such officers as Lt Gen Wanchai Chitchamnong, Maj Gen Phichit Kunlawanit, Lt Gen Chuthai Saengthawip and Lt Gen Suraphon Bannakitsophon.

#### Maj Gen Phichit Kunlawanit, the Path Is Still Clear

From this, it can be seen that regardless of whether Gen Athit Kamlangek is granted an extension or not, many observers feel that it is quite likely that Maj Gen Phichit Kunlawanit will be promoted to full general and made the assistant RTA CINC. And what is more, besides serving as the assistant RTA CINC, he will serve concurrently as commanding general of the First Army Area.

At the same time, regardless of whether Gen Athit is granted an extension, it is very likely that Lt Gen Chawalit Yongchaiyut will be made a full general and made army chief of staff.

A "variable" worth keeping an eye on is Lt Gen Wanchai Chitchamnong, who will have served as commanding general of the Fourth Army Area from 1983 to 1985 and who will not retire until September 1987.

#### Politics In the Army, Politics In the Country

It can be seen that if things are considered from the standpoint of seniority, it is quite likely that Maj Gen Phichit Kunlawanit will have to remain in his present position at least 1 more year since he was just promoted to lieutenant general in October 1984.

As far as seniority is concerned, Maj Gen Phichit Kunlawanit is junior to the five officers who were promoted to lieutenant general in October 1983 and to two others who were promoted to lieutenant general in October 1982.

Even though Maj Gen Phichit may be senior among those who were promoted to lieutenant general in October 1984, he is the most junior in terms of when he was promoted to major general.

Thus, the belief that Maj Gen Phichit Kunlawanit will be promoted to full general and made the assistant RTA CINC in October 1985 is based more on political reasons than on fairness in accord with military traditions.

Similarly, if Lt Gen Chawalit Yongchaiyut, who is the most senior lieutenant general, is not promoted to full general, this will be for political reasons.

The period from October 1984 to September 1985 will be a time of trial, with the political factors at each moment being important tools. This is confirmation of the connection between politics and the military, with each affecting the other.

#### The 1985 Military Reshuffle, Twice As Intense

The questions that must be answered are:

1. Will Gen Athit Kamlangek be granted an extension as RTA CINC and if not, why not?
2. Will Lt Gen Chawalit Yongchaiyut be able to fend off the attacks by those officers who want to control people's military careers?
3. Will Maj Gen Phichit Kunlawanit's rise from commanding general of the First Army Area to assistant RTA CINC be easy or filled with difficulties?

The answers to these questions can only be guessed at, with the guesses based on monitoring the political and military activities in each period.

The answers will be known for certain only in September 1985. The important points depend on the timing and on the military and political actions of each officer.

Thus, certainty and uncertainty are a "certainty" amidst the course of events.

11943

CSO: 4207/16

## THAILAND

### COMMENTARY ON ASEAN NUCLEAR FREE ZONE

Bangkok BAN MUANG in Thai 15 Sep 84 p 3

[Daily View of the World column by "Freeman": "ASEAN Boldly Considers Opposing Nuclear Weapons"]

[Text] Among the various members of ASEAN, it can be said that Malaysia is one country that "has a mind of its own." That is, it is not afraid to say what it thinks. Thus, the world respects it as an independent country.

For example, at a conference of the permanent committee of ASEAN that was held in Kuala Lumpur, the capital of Malaysia, last Monday, Tengku Rithauddeen, the Malaysian minister of foreign affairs, announced that ASEAN is studying a plan to proclaim Southeast Asia a nuclear free zone.

This was a very bold statement by Tengku Rithauddeen since it shows [Malaysia's] intention of prohibiting all countries, including the United States, from introducing nuclear weapons into Southeast Asia.

We don't know how the Philippines, which is a member of ASEAN, too, feels about this plan since the United States has naval and air bases in the Philippines. If the Philippines went along with the ASEAN plan, it would have to forbid the United States from bringing nuclear weapons into the Philippines. This would anger the United States, and it might cut its military and economic aid to the Philippines. This might not bother Filipinos since they want the United States to remove its military bases. But President Ferdinand E. Marcos might not like this since it is U.S. financial aid that has enabled President Marcos to hold on to his position for so long. And the U.S. troops in the Philippines have helped maintain security for President Marcos.

If all member countries in ASEAN are really sincere about prohibiting other countries from bringing nuclear weapons into their country, this region will probably not become the scene of a nuclear war in the future.



There is nothing difficult about this, and this is not a new issue. Recently, the countries in the South Pacific region proclaimed that region a nuclear free zone. The prime minister of New Zealand, Mr Lange, stated that it was New Zealand's policy to prohibit all countries from bringing nuclear weapons into New Zealand. Even U.S. nuclear-powered warships have been prohibited from entering New Zealand's territorial waters.

Besides the fact that Mr Lange, the present prime minister of New Zealand, has announced such a policy for New Zealand, New Zealand's Labor Party has issued a resolution asking that New Zealand withdraw from ANZUS. This has greatly alarmed the United States. It has said that New Zealand's withdrawal from ANZUS would affect peace and security in this region. This doesn't seem to be a very logical conclusion. Because if New Zealand withdraws from this organization and is no longer a military ally of the United States, it will not be drawn into some future war engaged in by the United States, which would be better for the security of New Zealand.

If the countries in Southeast Asia and in the South Pacific can stipulate that their regions are nuclear free zones, a war between the United States and the Soviet Union, concerning which President Reagan has reserved the right to launch a first-strike attack using nuclear weapons, will be confined to the United States and the Soviet Union and perhaps South Korea, which has not prohibited the United States from bringing nuclear weapons into the country or establishing nuclear bases to fight the Soviet Union.

Japan is a military ally of the United States, but it has forbidden the United States from bringing nuclear weapons into the country. Thus, Japan might escape a nuclear war. As for China, it already has nuclear weapons. But it has not openly announced which side it would support. If it remained neutral, it might escape a nuclear war. And its population is so large that it might be able to send people to the United States and the Soviet Union after these two countries destroyed each other using nuclear weapons. This would solve its population problem since the population of China has now reached 1 billion.

South Asian countries such as India want that region to be a nuclear free zone, too. And in West Germany, people have held frequent demonstrations demanding that West Germany be a nuclear free zone.

The people in the United States and England don't know what to do to pressure their governments to stipulate nuclear free zones and so they have proclaimed the areas where they live to be nuclear free zones. This has been psychologically beneficial even though the zone of destruction would be very large in a nuclear war. Just one nuclear bomb can destroy an entire city.

Yes, there is still hope if people throughout the world join together in opposing nuclear weapons.

## COLUMNIST ON NEW ZEALAND NUCLEAR WEAPONS STAND

Bangkok THAI RAT in Thai 19 Sep 84 p 2

[Window on the World column by Jupiter: "The ANZUS Treaty"]

[Text] ANZUS is a mutual defense treaty [organization] composed of Australia, New Zealand and the United States that is similar to NATO.

This organization was formed 33 years ago. If it were a person, it would be strong and would be consolidating its power. Its task is to serve as the fortress of the Free World in the South Pacific.

But something that no one on the outside could have predicted is that cracks appeared when the Labor Party of Mr David Lange in New Zealand announced during the election campaign in July that if the Labor Party won the election, its policy would be to prohibit nuclear-powered ships and ships armed with nuclear weapons from entering New Zealand's territorial waters. As it turned out, New Zealanders apparently liked this policy because the Labor Party won the election and David Lange became the prime minister.

The U.S. secretary of state, Mr George Shultz, rushed to discuss the matter to get Lange to change his mind about this. Because the ships affected by this policy were warships of the United States, an ally in ANZUS. Normally, Lange is not a firm person. He likes to engage in "give and take."

He has tried to persuade the other members in his party to make compromises concerning the nuclear policy. But he has failed twice now.

What is more, at the Labor Party's annual conference a few days ago, some party members called on the government not to participate in the ANZUS military exercises while others wanted to withdraw from ANZUS itself.

Isn't New Zealand afraid of the nuclear threat posed by its enemies? It certainly is. But the people know that instead of making things, safer, having nuclear weapons on their soil only poses a greater danger.

11943

CSO: 4207/20

EDITORIAL: POLITICAL DETENTIONS SAID TO HURT PRESTIGE

Bangkok THAI RAT in Thai 18 Sep 84 p 3

[Editorial: "Thailand In the Eyes of the World"]

[Text] At present, Thailand's minister of foreign affairs is on a trip to Latin America in order to gain support for Thailand's bid for a seat on the U.N. Security Council and to increase our prestige in the United Nations. Once before, a Thai statesman, Prince Narathipphongraphan, held a high position, that is, president of the U.N. General Assembly, and played an important role in building peace.

How Thailand is viewed by the people of the world depends on the reputation of all Thais, particularly their attitude toward acting in accord with the U.N. Charter. This also depends on the respect shown for people's human rights, regardless of whether this is the law, and on whether the citizens of the country are treated fairly by the law, whether they have freedom of communication and freedom of expression and whether they are free to form associations and political parties.

While our minister of foreign affairs is making a great effort to gain support in our bid for this important position in the United Nations, several things that have happened within the country show that we have not acted in accord with the U.N. Charter as we said we would. Political prisoners have been jailed for an unlimited period. Even though this is permitted by our laws, have these laws created a good model in accord with legal principles and were they promulgated in an era when state power was administered by people who had a right to hold power?

Another thing is the reverberations from the opposition in various cases. Even though we may feel that we don't have to listen since the criticism is coming from outside the country, those things that indicate to the people of the world that our government pays no attention to world public opinion will reduce our prestige in the United Nations, with most of the votes now belonging to Third World countries, and reduce our chances of gaining this important seat in the United Nations, which would be a great honor for the country.

Since we hold to a democratic system and have sided with the Free World, both government and private-sector opinions from abroad show that others are interested in our country and that the people of the world are constantly watching us. The use of strong laws, which is each country's right, might well shake the stability of a government in a democratic system. Because at present, world society is involved in such matters.

We don't know whether those who now administer our country and who use power in administering things rather than holding to legal principles and dealing fairly with the people, the masters of the country, are aware of the criticisms being made by people abroad. Perhaps they feel that they have the power to do whatever they want without having to pay any attention to criticisms from abroad.

11943

CSO: 4207/20

NAWAPHON, POLICE SAID TO COOPERATE IN EXTORTION

Bangkok THAI RAT in Thai 21 Sep 84 p 7

[Article: "Man Claiming to Be a Member of Nawaphon Posts Sentries in Mu Ban Seri Housing Development; They Wear Military Uniforms and collect 50 Baht a Month From Each Household"]

[Text] People living in the Mu Ban Seri Housing Development in Hua Mak have complained that a man claiming to be Mr Suchat Phonsing and who said that he was a Defense Village leader, Volunteer Defense Corps Class 5 (special curriculum), Bangkok Metropolitan, and the head of a forward Nawaphon inspection unit sent a form letter to the people living here saying that he would send sentries dressed in camouflage fatigues to guard Mu Ban Seri and that he would charge each household 50 baht a month. [He said that this was being done] in the wake of the complaints about robberies in the housing development. But the problem did not end, as can be seen in the letter of appeal:

"Along with this letter, I am sending the letter of the Nawaphon unit, which is trying to collect money from the people living in Mu Ban Seri for serving as guards since August. They have still not given up trying to collect money here. At present, two men dressed like soldiers ride bicycles around the development. At set times, they ring bells, which shows that they are riding around. The housing development has a total of eight subdevelopments or approximately 3,000 houses and has an area of several square kilometers. There are several entry and exit gates. I don't know what the Nawaphon unit can do if something such as a robbery takes place. Mu Ban Seri associations 1-8 have told the people here that these people did not contact them beforehand but just began collecting money. Because at 50 baht per house, with 3,000 houses, that amounts to 150,000 baht a month. Besides this, the letter states that the chief inspector at the Hua Mak Police Station has been informed about this. But I am suspicious about this since the chief inspector at the Hua Mak Police Station has never said anything about this to the people here even though he meets frequently with people in Mu Ban Seri. And if he is in favor of this, the police stationed here should be withdrawn since they cannot "protect" the people even though this housing development is right behind the police station. And please ask the army whether it is proper to have people dressed in military uniforms serve as village

guards and collect protection money. At present, the people here are suffering from having to pay 50 baht a month in protection money. And there is no time limit on this. People may be paying until they die. It is worth noting that at present, more and more groups claiming to be guards are collecting protection money."

The letter written by the person claiming to be "Nawaphon Suchat Phongsing, a Nawaphon expert and head of the Nawaphon Inspection Unit, Bangkok Metropolitan, is two pages long. The following parts of the letter are of special interest:

1. The Nawaphon Inspection Unit, Bangkok Metropolitan, has sent a letter informing the local police station, that is, the Hua Mak Police Station. Nawaphon inspection unit officials met with the chief inspector. He asked about this and was informed about our policies concerning the performance of such duties. He was happy to make suggestions about how to carry out the tasks properly in order to lighten the burden on the police, who do not have sufficient manpower to watch things [all the time].
2. Mu Ban Seri has a president and a committee. The Nawaphon Inspection Unit would like to apologize for carrying out its guard duties without informing the president. The reason for this is that when we begin carrying out our duties at a development, people in nearby developments, that is, the home owners, ask us to provide protection to them, too, and so we have to help. Also, the chief inspector at the Hua Mak Police Station recommended that we employ adequate guards and that we begin with Development 1 and proceed through Development 8 in order to watch over and help the entire housing development. Otherwise, there will be problems with criminals committing crimes in the housing development. Thus, the Nawaphon Inspection Unit has had to send out a form letter to inform the home owners in all the housing developments.

Besides the problems of the people living in Mu Ban Seri, the people living in Mu Ban Mahaphon and the Onnut Town House are experiencing problems, too. They have complained that a group calling itself the Thai Industrial Protection Company, Ltd., which has a police lieutenant colonel as an advisor, has demanded protection money for providing sentries to guard the gate. They want to charge 100 baht a month. People here are still alarmed.

Today, the families here are still unsure about whether they will have to pay this company 100 baht at the end of the month. They are afraid that if they don't, their homes might be damaged or someone in their family might be hurt. But if they pay this amount each month, they will have financial problems since their incomes are limited. The mortgages on their houses run for another 10-15 years, they have to support their families and they have to pay the utilities. Some months, they don't have enough money to get through the month and so they have to borrow money and pay interest. And now this matter of paying protection money

is putting pressure on them. They don't know what to do. Thus, the officials concerned should deal with this but nothing has been done. If people had known that this would happen, they would never have purchased a house here.

If officials can't do anything to solve this problem or to protect the 300-400 families that live here, it is suggested that the Revenue Department not forget that the income of the Thai Industrial Protection Company Ltd is 30,000 to 40,000 baht a month, which they get by extorting money from people.

This is happening in various areas throughout the city since this is an easy way to make money, and this can go on for a long time. It is worth noting that before groups began claiming that they would provide protection, these housing developments had a crime problem. Police Lt Gen Mana Wongsombun, the commissioner of the Metropolitan Police, should solve this problem quickly so that people of this city, who already pay taxes, don't have to pay protection money each month. Also, is Gen Jitini Chirarot, the minister of interior, interested in this problem?

11941

C80: 4207/20



## THAILAND

### 1ST KINGS GUARD DIVISION COMMANDER PROFILED

Bangkok THAI RAT in Thai 7 Sep 84 p 4

[People Today column: "Maj Gen Isaraphong Nunphakdi, the New Commander of the 1st Kings Guard Division"]

[Text] His nickname is "Tui." He was born in Phonsawai Subdistrict, Muang District, Ratchaburi Province, on 20 November 1933 (making him 51 years old). He is the son of Police Lt Gen Chat and Mrs Prayong Nunphakdi. He is the older brother of Wann, the wife of Maj Gen Suchinda Khraprayun. He attended schools in several provinces since his father was often transferred. He completed lower secondary school at Amnuaisin School in 1951. In 1953, he entered the Chulachomklao Royal Military Academy as a member of Class 5 (West Point curriculum).

Besides that, he took the company and field-grade officers courses at Fort Benning in the United States. He attended the Army Staff College in 1966, where he was a member of Class 45. He was No 1 in his class and so was sent to take the staff course at Fort Leavenworth in the United States in 1967. Fellow classmates at the Chulachomklao Royal Military Academy, Class 5, included Maj Gen Suchinda Khraprayun, Maj Gen Wirat Siengsnait, Maj Gen Wimon Wongwanit and Col San Siphon, the new commander of the 2nd Division.

On entering government service, he was assigned to the "S.R." Headquarters. Following that, he was made a platoon commander and then a company commander with the 3rd Battalion of the 1st Kings Guard Regiment. He taught tactics at the Army Staff School. He served as an assistant military attaché in London. On his return to Thailand, he served as an instructor at the Army Intelligence School. He then served as the deputy commander of the 9th Regiment and the commander of the 11th Regiment. Following that, he served as the chief of staff of the 1st Royal Guards Division and the deputy commander of this division, both in the same year. In 1982, he was promoted to major general and made the commander of the 6th Division and the Suranari Force, which is subordinate to the Second Army Area. Now, he has been made the commander of the 1st Kings Guard Division in place of Maj Gen Phichit Kunlawanit.

In 1961, he served in Korea, and in 1969 he fought in Vietnam. He was put in control of the Taparaya border in place of Col Prachak Sawangchit after the events of 1-3 April 1981. He is now serving as a senator.

He is married to Sumana "Wiratchaphan." They have just one child, a son.

11943

CSO: 4207/21

2nd ARMY COMMANDER PROFILED

Bangkok THAI RAT in Thai 6 Sep 84 p 4

[People Today column: "Maj Gen Phisit Mobut, the Commanding General of the Second Army Area"]

[Text] He was born on 21 August 1927 (which makes him 57 years old), in Siphraya, Bangrak, Bangkok Metropolitan. He graduated from Amnuaisin School and then entered the Army Preparatory School as a member of Class 6. Fellow classmates included Lt Gen Phat Urailloet and Police Maj Gen Piakop Wiraphan. He also took the Army College curriculum in 1976 [sic].

After undergoing infantry training at the Chulachomklao Royal Military Academy in 1948, he was made a sublieutenant and stationed at the Kho Hong Camp, which is now the Senanarong Camp, in Songkhla. He was assigned to the 2nd Infantry Battalion, 15th Infantry Regiment. He was with this unit for 3 years and was then made a platoon leader with the 4th Infantry Regiment at the Naresuan Camp in Phitsanulok Province. In 1953, he went and fought in the Korean War, serving as a platoon leader with a heavy weapons company with the United Nations forces. Captain Chitkrawi Kesakomon was the company commander and Captain Kriangsak Chamanan was the coordinator.

Back in Thailand, he served as a platoon leader at the Reserve Officers School for 1 year. He was then made a platoon leader at the Chulachomklao Royal Military Academy, administrative section. He taught at this school for 11 years. Promoted to lieutenant colonel, he was made the chief of the intelligence section with the Anti-Communist Activities Headquarters in Sakon Nakhon. In 1971, he was made the commander of the 1st Battalion of the 13th Mixed Regiment, Second Army Area. One year later, he became the commander of the 2nd Battalion of the 23rd Mixed Regiment at the Friendship Camp in Nakhon Ratchasima. He was made the deputy commander and then commander of the 23rd Mixed Regiment. In 1977, he was made the commander of CPM (civil-police-military unit) No 20-21 in the zone of the Second Army Area. He was then promoted to major general and made the commander of the 6th Division. Following that, he became the deputy commanding general of the Second Army Area. He has now been promoted to lieutenant general and will replace Lt Gen Phak Minakanit as commanding general of the Second Army Area.

He was decorated for his work in suppressing communist terrorists while he was the commander of Protection Unit 23 in Sawang Daendin District, Sakon Nakhon Province. This protection unit achieved very good political results and received a unit decoration 3 consecutive years. The first year, Maj Gen Athit Kamlangek was the commander and so was the one who received the decoration.

He is married to Mrs Phayom. They have two sons and one daughter.

11943

CSO: 4207/21

## THAILAND

### 2ND ARMY DEPUTY COMMANDER PROFILED

Bangkok MATICHON SUT SAPADA in Thai 16 Sep 84 p 42

[MATICHON Profile column: "Maj Gen Phisit Mobut, the Deputy Commanding General of the Second Army Area"]

[Text] He is 57 years old. He was born on 21 August 1927 in Bangkok. He is the second of four children of Mr Li and Mrs Noi Mobut.

He has been appointed to the position of commanding general of the Second Army Area in place of Lt Gen Phat Minakanit, who will retire on 1 October 1984.

He completed lower secondary school at Amnuaisin School, where he was in the same class as Prakaiphruk Sarutanon. Following that, he entered the Army Preparatory School. He was a member of Class 6, the same class as Maj Gen Prayat Rotphothong and Police Lt Gen Prakop Wiraphan.

He graduated from the Army Preparatory School in 1948 and was assigned to the 2nd Infantry Battalion, 15th Infantry Regiment, Kho Hong Camp, Songkhla Province. In 1951, he was made a platoon leader with the infantry regiment in Phitsanulok Province.

In 1953, he fought in the Korean War as a platoon leader in a heavy weapons company in cooperation with the U.N. forces there. Captian Kriangsak Chamanan was the coordinator.

After returning from Korea, he was made a platoon leader at the Reserve Officers School. He was there for 1 year and was then made a platoon leader at the Chulalongkorn Royal Military Academy, where he served until 1970. He then became the head of the intelligence section with the Anti-Communist Activities Headquarters in Sakon Nakhon Province.

In 1971, he served as the commander of the 1st Battalion, 13th Mixed Regiment, Udon Thani Province. In 1972, he was made the commander of the 2nd Battalion, 23rd Mixed Regiment, Friendship Camp, Nakhon Ratchasima Province. Following that, he was made the deputy commander and then commander of this regiment.

In 1977-1978, he served as the commander of CPM [civil-police-military unit] No 20 and No 21 in Sakon Nakhon Province. In 1980, he was appointed commander of the 6th Infantry Division in Surin Province. In 1982, he was made the deputy commanding general of the Second Army Area. He held this position until he was made the commanding general.

He was decorated for his communist suppression work while serving as the commander of Protection Unit 23 in Sawang Dindaen District, Sakon Nakhon Province. He was also awarded the Atswin Medal, First Class, which is called the "Ramlama Khemkla Klangsamon Medal." On 25 August 1984, he was awarded the Rattanaphon Medal.

He attended the National Defense College, Class 24, the same class as Air Vice Marshal Prayat Ditsayasarin and Lt Gen Atsawin Thepphada.

He is married to Mrs Phayom, who works at the National Research Council of Thailand. They have three children. The oldest, a son, is Ekanan, age 14, who is a Grade-9 student at the Bodindecha School. Their second child, a daughter, is Aromnat, age 13. She is a Grade-8 student at the Bodindecha School. The youngest, a boy, is named Ekadun. He is 11 years old and is a Grade-6 student at Samitthichot School.

11943

CSO: 4207/16

## 2ND DIVISION COMMANDER PROFILED

Bangkok THAI RAT in Thai 7 Sep 84 p 4

[People Today column: "Col San Siphon, the New Commander of the 2nd Division"]

[Text] He was born in Bangkok on 4 January 1933 (which makes him 51 years old). He completed lower secondary school at Suankulap Withayalai School. After that, he entered the Army Preparatory School as a member of Class 12. He then attended the Chulachomklao Royal Military Academy, West Point curriculum Class 5, or junior Class 5. Senior Class 5 refers to people such as Gen Athit Kamlangek who were members of Army Preparatory School Class 5.

He completed his studies and was made an acting sublieutenant in 1953, the same time as Maj Gen Suchinda Khraprayun, Maj Gen Wimon Wongwanit, Maj Gen Wirot Saengsanit and Maj Gen Isaraphong Nunphakdi, the new commander of the 1st Royal Guards Division. All his fellow classmates are now commanders of divisions, which are important command units. He also attended the Army Staff School, Class 46, in 1967.

He fought in Vietnam with the "Black Tigers" group, the third rotation. He served as an operations officer there. He has always been in the command stream. He served in the Second Army Area during the time that Gen Prem Tinsulanon was the commanding general of this army area. He was in command of the Surin Force, which is now known as the Suranari Force. He served there for almost 6 years. He was then made the deputy commander of the 23rd Regiment and then the commander of the 23rd Infantry Regiment. He then became the deputy commander of the 1st Division. In April 1984, he was made the deputy commander of the 2nd Division. When the list of military appointments was issued on 3 September, he was made the commander of the 2nd Division.

He is married to Suchada. They have three sons.

11943

CSO: 4207/21



# COLUMNIST VIEWS REAGAN STANCE ON ARMS CONTROL

Bangkok THAI RAT in Thai 27 Sep 84 p 2

[Window on the World column by Sunthon Wathi: "Reagan's New Actions"]

[Text] "Kill two birds with one shot." That was what President Reagan told the U.N. General Assembly 3 days ago.

His first goal was to make up with the Soviet Union, which has been antagonized by the United States during the past year. But this goal is not too important.

What is most important is the American voter, who will cast his vote on 4 November.

President Reagan surprised everyone because everyone knows that he is staunchly anti-communist and that he has constantly criticized the Soviet Union in very strong terms. He once called the Soviet Union a "place of evil" that is difficult to deal with and likened it to a pile of ashes that will someday be buried in history.

But on this occasion, cowboy Reagan was not the extreme rightist of old but the new Reagan. He called for regular high-level meetings between the United States and the Soviet Union in order to pave the way for a summit meeting. He asked that the "hotline" between Moscow and Washington be improved. He asked that the nuclear-arms reduction talks, which broke down because of the war of words, be revived.

What made Reagan change like this? Reagan knows that condemning each other like this will not benefit either side. Just the opposite is true. This increases tension in the world and makes it necessary for each side to spend more on building weapons.

And as for what is most important, Walter Mondale, Reagan's opponent in the election, has sharply criticized his foreign policy. Mondale has charged that it is Reagan's policies that have led to relations between the two superpowers declining to their lowest level in many years.

In order to improve his image, Reagan has had to make up with the Soviet Union in order to win the election. Leaders in democratic countries have to do such things. They have to reassure the people.

## THAILAND

### YUWATHIDA SURATWADI DISCUSSES FAMILY LIFE, CHILD TALKS

#### Conversation With Yuwathida Suratwadi

Bangkok MAHARAT in Thai 5 Apr 84 pp 14-16

[Interview with Yuwathida Suratwadi on 24 March 1984 at the Churairat Kindergarten School]

[Text] Saturday, 24 March, was the final day of classes before the term break at the Churairat Kindergarten School, which is located on Chitlom Road. This is a very good kindergarten school to which socially-prominent people like to send their children. On that day, the Crown Prince presided at the "term-closing" ceremony and presented "good-student" awards to the students.

This ceremony is held every year, and many parents come to attend. On the stage, the children perform lovely performances.

On that day, it was rather hot. Many parents had come to attend the ceremony. And one of those parents was a very important person. Most people are familiar with her acting achievements. Hundreds of photographers took pictures of this woman, that is, Khun Ben, or Yuwathida Suratwadi, or Phonprasoet, the beautiful actress who is very popular among Thais. Many people probably remember her as a cheerful child with long, beautiful hair and lovely skin. She still has many television fans today.

On the day that the school closed for its term break, Khun Ben appeared wearing a black-lined blue dress with a small-leaf motif. She looked very beautiful. Her hair was cut short. She is still as lovely and vivacious as she was several years ago. She was in high spirits and smiled a lot. She wore little make-up, and this made her even lovelier even though she is now the mother of three children.

After the "good-student" certificates had been presented, the performances by the students began. The first group was the "Phuan Thai" group. Pairs of small boys and girls dressed in military uniforms performed a dance. The pair that received the most applause was the pair in the very front. The children were somewhat bashful. And one handsome little boy who caught everyone's attention was "Thai Uan," the son of Khun Ben.

Than Uan was the boy in the very front. He danced very well and did not have to look around at his friends, which showed his great will power and self-confidence. Khun Ben craned her neck to get a view of Than Uan past the many photographers who were crowding around the stage taking pictures. With great love, she kept her eyes on Than Uan. At the same time, Than Uan and Than Lek sat on their chairs watching their "older brothers" perform.

MAHARAT had the great honor of conducting a short interview with Khun Ben while she sat and watched the program. At first, Khun Ben said that she was not prepared to give an interview to the press. "I don't think that that would be appropriate." She said that she did not want her remarks printed because she was afraid that this might lead to some misunderstanding. When she was assured that the interview would concern only her personal views as a woman who is being talked about admiringly, she modestly said that that was not the case. But in the end, she could not refuse the request and so said softly, "I really don't want to call this an interview; let's just say that we're having a chat." During the conversation, it was usually MAHARAT that asked the questions. And after considering the interview in detail, we feel that the conversation was very interesting and that it will help readers to know and understand Khun Ben better. Thus, some parts of the conversation are being printed below.

Our first question concerned her view on the role of women today. Khun Ben acted a little embarrassed and then replied:

"I don't know how to answer that since each family is different. As for my own family, we are trying to raise our children as well as we can."

There is certainly no question of this since all three sons of Khun Ben are very intelligent. Than Uan was one of the excellent students in kindergarten Class 1A. And he is very polite. We asked her, "what principles do you follow in training your children?"

"We make certain suggestions. For example, they must be respectful to their parents. If a child takes something from an adult or enters the house, he must be courteous. And they must be respectful to their teachers. We have to teach them to greet their teachers respectfully. And they must know how to share with friends."

"What if they do something wrong?"

"If they do something wrong, they must be reprimanded. Being reprimanded is natural, but we don't spank them unless.... He obeys well. He knows what is right and wrong. For example, we told him to dance well and not to be nervous. He said all right. We told him we would buy him a toy."

"What will you buy him?"

"He wants a toy car."

Most parents [who send their children to this school] see Khun Ben arrive to pick up her son almost every day. Some days, she stops and buys some sweets in front of the school. We asked her, "do you have to pick him up every day?"

"Yes."

"Why is that? Because you want to be close to him or because...?"

"No. He feels secure. He feels that.... If he sees his mother picking him up.... If I don't pick him up, he asks his nursemaid where I have gone and why I haven't come to pick him up."

"And so you have to come every day."

"Yes. I bring him to school and pick him up every day."

"You are a very good mother. What is your view of women who work outside the home? Do you think that that is proper?"

"Today's women are very able. And they are not afraid to express themselves and stand on their own feet. Today's women are very active."

"What are your goals in your personal life?"

"I want to have a warm family life. That is, I want us to live comfortably without troubling anyone else or causing problems for others. And I want to raise my children as well as possible."

"Are they easy to raise?"

"Yes. They aren't naughty at all."

"What do you do for relaxation on the weekends? Do you go to the provinces?"

"Sometimes. I take my children on trips on weekends and holidays."

"Do your children prefer the provinces or Bangkok?"

"I take them here and there. They enjoy themselves wherever they are."

"How long has Than Uan been taking dancing lessons?"

"He is somewhat shy. For example, just a moment ago, he was very nervous."

"But he danced very well."

"He practiced with his friends. He followed the teacher exactly."

"You are a housewife. Do you prepare the meals yourself?"

"I would if we didn't have cooks. But we have cooks at our house and so I don't do the cooking."

"But you plan the meals, don't you?"

"Sometimes, if we have guests or it is a special occasion."

This concluded the interview since Khun Ben spoke with us for just a few minutes. In conclusion, she repeated that:

"This conversation really wasn't my idea. I understand and I thank you. But others may not understand what I have said. I am glad that people understand. But I am not ready to grant a [formal] interview. Let's just call this a chat. Let's not regard this as.... By chatting like this, I will draw attention. I really don't want this to be thought of as an interview."

The conversation ended here. MAHARAT hopes that this will enable readers to know Khun Ben better. In the near future, MAHARAT hopes that Khun Ben will grant an official interview.

#### Conversation With Child

Bangkok MAHARAT in Thai 3-9 May 84 pp 29-33

[Article: "A Meeting With Than Uan at the Churairat Kindergarten School; this article uses royal court language in describing the child]

[Text] Mom Chao Chuthawat, or Than Uan as almost everyone calls him, is a young child in whom everyone is interested. His picture is appearing in the newspapers more and more frequently. He is now 4 years old.

#### Meeting With the Principal

"He speaks well and has many friends. He is very generous and very friendly."

This is the opinion of M.R.W. Sumaloimongkhon Chotikasathien, the principal and owner of the Churairat Kindergarten School.

Than Uan entered the Churairat Kindergarten School in 1982. After one term there, he left to go to the United States for a year. He returned and has been there for 2 years now. He is a very prominent student in kindergarten Class 2A.

While the Churairat school has been a prestigious school for more than 20 years, its fame has been limited mostly to parents interested in sending their children to school. Then in March, when pictures of Than Uan and his mother appeared in newspapers and he participated in an exhibit of classic cars, people in general began to take notice

and the Churairat School began receiving more widespread attention. People called to ask whose school this was. And some callers asked if the school belonged to the Crown Prince.

The Churairat Kindergarten School opened in 1962. This had been the dream of M.P.W. Samaloimongkhon ever since she was a high-school student at Mater Dei School. Thus, after completing lower secondary school, she studied to be a teacher in England for 7 years. She opened this kindergarten school immediately upon her return to Thailand.

The Churairat School stresses child development, social studies, self-reliance and all-round knowledge rather than academic subjects.

"Teaching children academic subjects before they are ready will be more harmful than beneficial. Because the minds of the children are not ready for such subjects. Parents who stress academic subjects don't understand why their children can't write well after studying for a year. What we do is to allow the children to adjust themselves to society and get ready to study [academic subjects] when they enter primary school," said the principal of the Churairat Kindergarten School to MAHARAT.

#### Meeting Than Uan

While MAHARAT was interviewing the principal, the students of kindergarten Class 2A had their noon recess and so MAHARAT had a chance to watch Than Uan while he played with his friends. The classroom teacher was supervising the children.

There were long, short dining tables and benches as can be found at most kindergarten schools. On the tables were bowls of boiled bananas and various kinds of fruit. Than Uan smiled at MAHARAT and two dimples appeared. He then turned away to chat with two of his friends.

MAHARAT quickly took notes on their conversation but was regarded with some "suspicion":

"What are you writing?" said Than Uan looking at our notebook and then glancing up at the ceiling.

"We noted how much you ate today."

"I had two bowls. Can I see what you wrote?"

"Finish eating first."

He turned to a friend.

"All finished" said one of the other children.

"Kong isn't finished yet but Than Phi is." He referred to himself as "Than Phi" when talking with his friends.

When all the fruit was gone, he was allowed to look at the notebook as promised.

"I can't read it," said Than Uan.

"It says that you ate two bowls of food."

"A '2' isn't written like that."

"How do you write it?"

"Like this. Like this." Than Uan took the pen and wrote a "2" as shown in his textbook, that is, the bottom curve was a squiggly circle. Than Uan really did speak well just as the principal and his teacher had said. He spoke like an adult.

MAHARAT asked him where he was going to go during the term break. Than Uan smiled and then said he was going to Phathaya or Hua Hin.

"Which is more fun?"

"Phathaya. But actually, I like to drive into the forest at Doi Pui. I like to ride with my father.

M.R.M. Sumalaimongkhon spoke about the time when she first learned that Than Uan would enter her school.

"My first reaction was one of apprehension. It seemed like such a great responsibility. But I considered this to be a great honor."

The student life of Than Uan is like that of any other student since that is what his parents want.

He eats the lunches and snacks prepared by the school. He is treated like the other children except that we are careful about his safety. He gets along well with the other children. He plays games such as "phong phao," "kri khao san," "mon san tha" [duck, duck, goose] and ball with the other children. He cried the first day he came to school but since then he has enjoyed coming to school."

#### Future Studies

At present, Than Uan is in kindergarten 2, which is the final year of kindergarten. The students practice writing and reading and do simple arithmetic. After completing this year, he will enter primary school.



"As far as I know, he will attend a demonstration school but I don't know which one. Most students who finish Churairat go on to a demonstration school since we have prepared our students for such schools. That is, we do not emphasize academic subjects but rather try to develop their thinking so that the children can get along in society."

At present, about 200 students a year are accepted by the Churairat Kindergarten School. Priority is given to the children of alumni and to the siblings of students. Normally, there are about 50 openings a year for outsiders.

Thus, parents frequently come to see the principal and offer to donate money to the school in order to secure a place for their children in the school. But the principal said:

"I have great sympathy for the parents because they really want their children to study here. But we can only accept so many students. I sympathize with them, but there is nothing I can do. Because we give priority to certain children and accept others in order of application. Our tuition and school fees are set by the Ministry of Education.

The Churairat Kindergarten School is located on Chitum Road. It began operating 20 years ago with 30 students and 3-4 teachers. Now, it has 500 children, who range from 2½ to about 5 years in age, and 50 teachers.

M.R.W. Sumalaimongkhon is now 47 years old. As for her future, she thinks that she will keep operating the school for about another 10 years, by which time she feels she will be too old to run the school and since there is no one to take over from her. She said:

"The older we get, the more we worry. I worry that a child will fall down or run and hurt himself. I don't feel at ease and so I think about quitting. I may go and live somewhere quietly. Maybe I will go to Chiang Mai in the north."

11943

CSO: 8653/0217

## SPECIAL FORCES DEPUTY COMMANDER PROFILED

Bangkok Thai SAT in Thai 6 Sep 64 p 1

[People Today Column: "Maj Gen Surtan Kiatgumpun, the New Commander of the Special Warfare Command"]

[Text] He was in the first class at the Chulachalongkraj Royal Military Academy to take the West Point curriculum. Fellow classmates included Lt Gen Chawalit Yongsakul, Maj Gen Chiraphan Tharichat and Maj Gen Suddhat Chomphayaha. He was among the first group of Thai officers to take the infantry course at Fort Benning in the United States, when he was attending the Army Staff School. Lt Gen Chawalit was No 1 in the class and he was No 2. Then, he took the staff course at Fort Leavenworth 1 year after Lt Gen Chawalit.

After completing his studies, he joined the infantry as a lieutenant, serving as an aide to Maj Gen Chiraphan Tharichat, the commander of the 1st Division. He was made a company commander with the 1st Division and then served as the head of the operations section with the First Army Area. He also continued to work with the 1st Division. For example, he was responsible for supervising radio activities. He was constantly engaged in carrying out important tasks for the 1st Division. He was an instructor at the Army Staff School, and he served as a senator.

He fought in the Korean War when he was still a field-grade officer. He served as an operations officer with the Volunteer Division, around rotation, during the Vietnam War. Lt Gen Surtan Kiatgumpun has directed some of the division's main staff. He was wounded while fighting communist guerrillas during the period that he was the director of the Special Forces Center, Region 1 and Commander of Active Headquarters. He has been the commander of the Army Air Center after the events of 1-2 April 1961. He was then made the deputy commander of the Special Warfare Command, which is considered to be equivalent to an army area. When the 1st of 11 military promotions was issued on 1 September 1964, he was promoted to lieutenant general and made the commander of the Special Warfare Command.

His wife, in addition, used to work as an announcer at Army Television Channel 7 (black and white), today's Channel 5 (color).

## USE OF MONARCHY AS EXCUSE FOR COUPS, KILLINGS DISCUSSED

Bangkok MATIPHEM in Thai 8 Sep 84 p 5

[Article by Seri Noibuaathip: "Claims of Loyalty"]

[Text] In a democratic system in which sovereign power is said to belong to the people, even though the king, who is the head of the country, is said to have sovereign power on behalf of the people, he has power in name only. Because in both principle and in fact, the organizations responsible for using that power, which includes administrative, legislative and judicial power, are the government, parliament and courts. The king is just a figurehead without any responsibility for the use of these three powers.

But even though the monarchy is not an institution that is directly involved in the use of these three powers, the importance of the king as the head of the country in a democratic system is very great. This is because the monarchy is an institution that has long been closely tied to Thai national identity. It has taken such deep root in the minds of the people that it would be very difficult to find another institution to replace it as the head of the country.

However, there are frequently political movements in which people mistakenly try to involve the monarchy. In doing this, they claim that their political struggle is being carried on out of loyalty to protect the monarchy.

Actually, the loyalty of the people to the king and other members of the royal family is not what it had. Such loyalty is not real. What is left is blind loyalty without knowledge of time or place.

Many times, when people have demonstrated against the government, the people in front have carried pictures of the king. For example, when laborers have gone on strike and demonstrated for higher wages, they have carried pictures of the king above their heads. That is all right. But when a coup d'etat, which is illegal and which is not in accord with the principles of a democratic system, is carried out, it is claimed that this is necessary in order to protect the monarchy and that this is done out of loyalty. The only possible meaning that can be construed is that they are using loyalty and royal prestige as tools to support their work.

Almost every coup d'état makes such claims. During the coup of 1 April 1941, both sides, that is, the coup-makers and the coup-suppressors, cited loyalty [to the monarchy].

For this reason, the monarchy, which is the head of the country, has great significance for the security of the nation, unlike leading institutions in other countries, which serve only as the political head or political leader of the country. Thailand's monarchy has much greater significance than that. That is, the monarchy is the focus of national identity and the institution that binds together the hearts and minds of the Thai people to create unity.

Since the Thai monarchy has such great significance, the principle of holding the monarchy above the political conflicts so that it can retain its position of political neutrality, avoid being criticized and insulted and serve as an institution that all Thais can respect and honor is thus a correct principle.

This principle is correct and so it is very sad and depressing that Thais who have expressed such great loyalty automatically try to involve the monarchy in political movements, with the king and other members of the royal family not a party to this in any way.

Politics concerns the distribution of power and benefits among the people of the country. Sometimes, the distribution of power and benefits is not equal or fair and so conflicts arise and people fight to gain the upper hand. Thus, the monarchy, which is neutral politically and which is respected and revered by all people in the country, should become involved or take sides in the struggle.

Prior to the events of 6 October 1976, which resulted in the barbaric slaughter of many students, the king and other members of the royal family had supported the Village Scouts in order to implement ideals and the concept of making sacrifices for the common good without getting involved in politics. But the Village Scouts began engaging in political activities. Certain government officials and politicians incited them to hold demonstrations in order to oust the government of M.R.W. Buri Praman, a member of the Democrat Party. And the Village Scouts claimed that they were doing this out of loyalty to protect the monarchy.

Citing loyalty as an excuse to gain political benefits is something that should be considered as an act of great selfishness and as an act of less sacrifice since the purpose is to use the monarchy as a political tool and to protect personal interests behind the monarchy with no thought given to the harm that this could cause to the monarchy.

The monarchy, the leading institution of Thailand, is above political conflicts. It is neutral politically. It is the focus of national identity and the thing that binds together the hearts and minds of the Thai people to bring about unity. Thus, Thais who are truly loyal will not "smother" loyalty in order to gain power and profit personally.

It is highly improper to use loyalty as an excuse freely and without reason like this. People must exercise self-control. When it becomes necessary to be assertive, this should be done cautiously in a principled and reasonable way. Others should not be misled into thinking that the monarchy is involved in the political activities. People must always remember that the monarchy is the leading institution of the nation and that as such, its duty is not only to serve as the head of the country but also to foster unity among the Thai people in the interests of national security. Thus, it must remain neutral politically and serve as an institution that all Thais can respect and revere.

Thus, when people claim that they are doing something out of loyalty to the monarchy, if they are really loyal, they will first study matters carefully and be certain that their actions are proper and that their actions will benefit the nation and strengthen the monarchy. People who want to take some action cannot simply claim that they are doing this out of loyalty to protect the monarchy. Because if what they do is wrong, if they are just trying to benefit personally or if their actions go against the wishes of the people of the country, these actions will have an adverse effect on the monarchy and be an insult to the monarchy. How can people who do things that have an adverse effect on the monarchy and that are an insult to the monarchy be considered to be loyal people?

The king and other members of the royal family are frequently said to be the center of life of the Thai nation. The tasks carried out by the members of the royal family today are all aimed at bringing happiness and peace to the people. Since this is the goal of all members of the royal family, those who are truly loyal to the monarchy shouldn't have to show off their loyalty to others. What people should do is to conduct themselves as good citizens by acting in accord with [the country's] laws and customs.

Soldiers should conduct themselves in an orderly and disciplined manner. They should not harbor ambitions that are improper or that will cause cracks to appear within the nation. Politicians should obey the laws and strictly observe the proprieties of a democratic system so that national politics is stable and secure, so that there is economic and social development and progress and so that the people can have happiness and peace in accord with the wishes of the king.

If a person conducts himself like this, that person is truly loyal to the monarchy. He is not a person who just "mouths" loyalty, with the results of his actions being just the opposite.

11943

CSO: 4257/18

THAILAND

PHRA MONGKUT KLAO HOSPITAL CHIEF PROFILED

Bangkok MATICHON SUT SAPADA in Thai 16 Sep 84 p 42

[MATICHON Profile column: "Maj Gen (Dr) Singha Saowaphap, the Director of the Phra Mongkut Kiao Medical Center"]

[Text] He is 52 years old. He was born on 23 August 1930 in Ban Pong District, Ratchaburi Province. He is the eldest of the nine children of Sublieutenant Chaloei and Mrs Kimlang [Saowaphap].

On 1 October 1984, he will become the director (with the rank of lieutenant general) of the Phra Mongkut Kiao Medical Center, which is the newest unit established by the army. It is a large medical center, resembling the Walter Reed Hospital in the United States.

He began his education at the Rattanakarat Bamrung School in Ban Pong District, where he completed lower secondary school. He completed upper secondary school at Triemudom School. He then entered the Faculty of Medicine at Chulalongkorn University. He was a member of Class 9, the same class as Dr Praet Wasi and Dr Charat Suwannawela, the Vice Rector of Chulalongkorn University.

In 1956, he became an army doctor, serving as the deputy commander of the Senarak Platoon, Infantry Battalion, Infantry Center, Lopburi Province. In 1957, he took paratroop and attack training at the Infantry Center. He was then made commander of the Senarak Platoon.

In 1961, he was appointed Deputy Commander of the medical unit attached to the Infantry Center and acting Commander of this unit. In 1962, he worked as a surgeon at the Phra Mongkut Kiao Hospital.

In 1963, he took the medical Battalion commanders' course, Class 1. He also attended the Army Staff School that year. In 1968, he received training in urology at the Walter Reed Hospital in the United States and then continued his training in this field at Penn University in Philadelphia, PA.

On returning to Thailand in 1971, he worked as a Urologist at the Phra Mongkut Klao Hospital. After that, he served as the head of the surgery unit, the assistant hospital director and then the deputy hospital director.

In 1977, he became the director of the Anan Mahidol Hospital. In 1981, he was made the director of the Phra Mongkut Klao Hospital and director of the Phra Mongkut Klao Medical College.

He is married to Lt Col Atsani (Wichaya), a section head at the Phra Mongkut Klao Hospital. They have one child, Duangphon, age 24, who graduated from the Faculty of Communications Arts, Bangkok College.

11741

CSC: 4287/16



## THAILAND

### BRIEFS

THAIS IN REFUGEE FLOW--Squadron Leader Prasong Sunsiri talked with reporters about matters at the Khao I Dang Center. He said that it has been observed that Thais from the northeast have gone to live in the refugee camp and that some have been selected to go to the United States. And many have gone. But when they arrive in the United States, it can be proven that they are Thais and not refugees. And so these people are sent back to Thailand. This is something that Thais should not do. Thais should not go and live among the refugees who have fled to Thailand. [Text] [Bangkok BAN MUANG in Thai 15 Sep 84 p 16] 11943

CSO: 4207/20

## MILITARY AFFAIRS AND PUBLIC SECURITY

### LIFE OF ESPIONAGE REVEALED AT TRIAL OF CHINESE SPY

Hanoi TUAN TIN TUC in Vietnamese 23 Jun 84 pp 10-11

[Article by Phong Vien (Reporter): "Trial Reveals Beijing's Black Heart"]

[Text] On 19 June 1984, the spy Thai Nhu Sieu was put on trial.

A man of average stature, a full 60 years of age, Sieu is still quite agile and crafty. He confessed to the activities he had conducted in his nearly 30 years of executing the orders of Beijing in intelligence operations and activities against the Vietnamese revolution.

Below is the Chinese spy's confession:

The Guideline Under Which He Operated: "China Must Quickly Bring About a Pro-China Central Committee of the Communist Party of Vietnam"

These instructions--according to Sieu's confession--were received by him in 1966 from a high ranking cadre in direct command of the Chinese spy network in North Vietnam.

At that time, our people's resistance against the United States was entering its most difficult and decisive stage. From his position as assistant editor-in-chief of TAN VIET HOA Newspaper, a position from which he actually served as editor-in-chief, Thai Nhu Sieu managed to attend important meetings and insert persons, especially correspondents of TAN VIET HOA Newspaper, into news centers to gather intelligence information in support of this strategic plan. They employed every means possible to keep abreast of the latest news on the highest leaders of our party and state.

Many reports written in Chinese on the activities of the leaders of our party and state were quickly transmitted over a lawful communications line to Beijing. Thai Nhu Sieu stated: "In order to protect the shell that I had worked for so many years to build around myself, I very rarely reported directly to my superiors. However, I also did not want to let someone else take credit for my work. When good opportunities arose, I would be present at important meetings with representatives of the upper level, meetings that were made to look like chance encounters or a holiday or Tet party. I usually

reported on the situation in a way that disguised what I was actually saying and received much praise from my superiors for this practice. At that time, I ranked 12nd among 30 and was being increasingly trusted."

Besides gathering news, Thai Nhu Sieu did everything possible to ascertain the strategy of the communist party through the resolutions of the Political Bureau and Central Committee. Among the documents found in his possession were some that a middle level cadre such as he could not have obtained. By semi-overt and, later, by illegal means, these documents made their way beyond our country's border.

From inside China came the order: "Set up a front of ethnic Chinese who will do as instructed by Beijing."

After he had been engaged in such activities for some time, Thai Nhu Sieu requested permission to go to China to visit his aging mother, the former wife of Thai Hue Khanh, Sieu's father. However, he was actually making this trip to receive directives and report on his work. There, he met with the chief of the political department of the agency in charge of ethnic Chinese intelligence agents and was instructed: "You must continue to expand the united front among ethnic Chinese (?) and determine how many ethnic Chinese there are in the South, especially upper class ethnic Chinese, including persons who are agents of Taiwan."

Thai Nhu Sieu told the court that carrying out these instructions was his central objective for a long period of time. This task actually had been initiated decades earlier when, taking advantage of the friendly attitude of the Vietnamese party, the Chinese side "activated" him: a person with seniority in the diplomatic service, he adopted Vietnamese citizenship, joined the Communist Party of Vietnam and helped to found the Ethnic Chinese Association in the North. By means of many sophisticated maneuvers, he managed to become a member of the executive committee of the Ethnic Chinese Association and assumed the post of Office Chief, after which he also simultaneously served as assistant editor-in-chief of TAN VIET HOA Newspaper.

From this rather key position within the organization of overseas Chinese and with a great deal of support from the overseas Chinese services fund backed by Beijing, he spent 80 million dong in Hanoi and 124 million dong in Haiphong along with distributing a variety of goods in order to gain personal prestige and draw ethnic Chinese toward Beijing. He also organized 127 schools for ethnic Chinese and personally served as political director of the Overseas Chinese Normal School, where he made extensive efforts to spread the great Mao philosophy and the thinking of Mao among teachers and students. When the cultural revolution was underway in China, he organized Red Guard units at the various schools, made the collective reading of the Red Book mandatory and conducted an internal purge to rid the organization of persons who were unwilling to go against Vietnam. Within the office of TAN VIET HOA Newspaper, of which he was in charge, everyone had to wear a Mao badge, carry the Red Book and speak Chinese. Those ethnic Chinese who could not speak Chinese had to speak through an interpreter. Through the pages of TAN VIET HOA Newspaper, he printed many news articles that were openly anti-Vietnam and anti-Soviet. In addition to his overt methods, he organized many underground bases within

the agencies and colleges in Hanoi to gather information and incite ethnic Chinese. He organized the distribution of paintings and poems of Quan Van Truong, a personality in Tam Quoc Chi, with the intention of calling to mind the story of Van Truong whose "body was outside China but whose heart was among the Han" or encouraged ethnic Chinese to plant vines in pots for beautification to symbolize their life as "vines living on borrowed land." The Petophi Clubs (a patriotic Hungarian poet; in 1957, Hungarian counter-revolutionaries established reactionary organizations bearing the poet's name in a rebellious plot) headed by him at TAN VIET HOA Newspaper attracted ethnic Chinese who were dissatisfied and opposed Vietnam and trained them to be competent lackeys.

His network of bases and the secret documents classifying ethnic Chinese, to which he had devoted his efforts for many years, became the foundation upon which the Chinese side established contacts and organized the so called Chinese refugees campaign against us in 1978 and 1979.

#### Obstinate to the End and Engaged in Dangerous Activities

Thoroughly corrupted by the thinking of Mao, he was always proud of the fact that he represented the overseas Chinese in Southeast Asia in presenting the banner of royalty to Mao on the occasion of China's National Day in 1951. When the cultural revolution was at its peak, Thai Nhu Sieu, thinking that his dream of becoming a powerful man was in reach, published articles in the pages of his newspaper that openly attacked us. In 1972, in the face of this obstinate attitude, he was expelled from the CPV, fired as assistant editor and discharged from TAN VIET HOA Newspaper.

Shortly thereafter, he was seen travelling the streets of Hanoi carrying the bag of an acupuncturist. As the healer Thai Nhu Sieu made the rounds to his patients, especially families with whom he was acquainted, he gradually picked up all sorts of information, from information on things going on within the party to information on the living conditions and the private thoughts of citizens. Shifting away from lawful activities, he set up dead letter boxes, established code names and continued his intelligence work.

In 1975, when the South was liberated, he received instructions to set up a liaison network and establish contacts with ethnic Chinese bases in the South, especially among bourgeois vicinities and merchants who opposed our transformation policy. He quickly established communications with two persons, Thai Van Minh in Da Nang and Thai Nhu Mo in Quang Ngai, in order to form a liaison network, establish contacts with bases and gather information on the situation in these localities. He also sent Minh to Saigon to assess the ethnic Chinese situation and, at the same time, inform them of the policies to demand the return of Chinese citizenship to Vietnamese of Chinese ancestry, oppose the military draft and foment unrest.

One day, in the summer of 1977, the healer Thai Nhu Sieu went to the home of one of his patients. There, it had been arranged for him to meet a coming spy within the Overseas Party Chapter of the Communist Party of China who was operating clandestinely within the Saigon area. At this person's request, Thai Nhu Sieu formally took him to meet Thai's superior. Having received a

promise of assistance from these master spies in the guise of diplomats, the two returned, established a program of action, exchanged letter boxes and adopted code names for regular communications. Then, at a house on Hang Gai Street, Vietnamese public security forces discovered secret letters and carefully wrapped packages. Under the name of Anh Ba, Thai Nhu Sieu had received scores of detailed reports from his accomplices for him to send out of the country. Thai Nhu Sieu had purchased tens of thousands of dong worth of materials, books, newspapers, pictures of Mao, slogans and so forth that had been sent to Vietnam by many different channels. These materials were used to conduct clandestine propaganda among ethnic Chinese throughout the South.

Thai Nhu Sieu was arrested while engaged in espionage. In his house upon his arrest were many intelligence documents that he did not have time to destroy.

**How to Become a Spy: "I Volunteered to Become a Lackey Serving Beijing's Scheme of Expansionism."**

Thai Nhu Sieu was born in Nghia Hoa Village in former Quang Ngai Province, present day Nghia Binh, to a poor family. Both of his parents were Chinese who migrated to Vietnam. Although there were many children in his family, he attended school and, while still young, participated in resistance war activities, especially in the mobilization of ethnic Chinese within his locality.

In 1950, Thai Nhu Sieu returned to China with a group of overseas Chinese going to visit their native villages. Even during the years and months when the relations between the two countries were their closest, Beijing had sinister intentions in mind. Quick, well spoken and somewhat experienced, Thai Nhu Sieu caught the eye of the Beijing Intelligence Service. The professionals were quick to see in this youth, who was less than 30 years of age but had a desire for power, a thirst for pleasure, the makings of a spy inserted deep within Vietnam. Thai was promoted from assistant delegation chief to delegation chief, allowed to sit beside the Thien An Men reviewing stand, allowed to meet Mao and then accepted at Nam Phuong College. In October 1954, only 4 days after Hanoi had been liberated, he was sent back to Vietnam.

From then on, following the steps of his bosses, Thai Nhu Sieu was deeply involved in systematic espionage against the Vietnamese revolution. Imbued with the bigoted great Han philosophy and the Great Helmsman's dream of "500 million peasants sweeping down into Southeast Asia," he became a dangerous criminal.

These days, together with the gunfire of the Chinese all along our country's border, his top bosses are spewing out a steady stream of false accusations against Vietnam, hoping anyone who is glibble enough to believe them.

Before the court, Thai Nhu Sieu confessed to having conducted activities to carry out Beijing's evil schemes against Vietnam for several decades. Along with him, the black heart of the Beijing reactionary ruling circles was once again brought to the bar.

**CAPTION:** the Hanoi People's Court sentenced Thai Nhu Sieu to 20 years in prison for the crime of spying for Beijing against Vietnam.

MUNICIPAL DIRECTIVE OUTLINES COMMERCIAL SHOW REGULATIONS

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 12 Sep 84 pp 1, 2

[Article by B.V.H.: "Reason for Municipal People's Committee Directive 'Halting Illegal Commercial Shows, Well-Managing Show Organisation'; Maintaining Pure Spirit of Shows"]

[Text] Within our city, both in the inner city and the suburbs, there have recently been a great many shows and a number of different types of cultural activities organized under the title of "Supporting the Fatherland's Front Line." Great crowds of the people have responded. Many poor laborers have also saved to buy tickets in order to show their feelings for the compatriots and soldiers undergoing night and day hardship on the border to resist the invading expansionists. The ardor of the compatriots there is extremely pure as well as beautiful like every revolutionary action in the fields of production, construction and strengthening security and national defense. The feelings of this city in the great rear area for the great front line are a boundless and precious treasure.

On the other hand however, the people are also complaining about a situation in which a number of locations are taking advantage of the feelings of the people and of the title "For the Fatherland's Front Line" to make money. The ticket prices are extremely arbitrary and are generally extremely high. A number of locations have used various reasons of creating a fund, conducting welfare work and a great many others bearing labels such as "responding to the requests of the masses," "improving the standard of living," etc. to begin many forms of cultural and art activities for commercial purposes. In many locations, the money sent to the front line is insignificant compared with that "retained" and is even small compared with the money used to "compensate" the artists "singing for the front line." Some locations "coordinate" preliminary summarization and summarization parties with the organization committee paying one artist up to 4,000 dong per performance, not counting gifts!

The sacred "For the Fatherland's Front Line" slogan has been seriously abused. The noble sentiments of the people have been offended! In many cases, it is clear that the artists have become the means for making a profit and they have no control over their craft.

In the face of this situation, the Municipal People's Committee on 7 September 1984 issued Directive 37/CT-WB calling for a "halt to illegal commercial shows and well-managing show organization."



The highest administrative agency of the city severely and properly observed that, "this situation not only violates state regulations on show organization, revives commerce in the arts and creates difficulties in the education and management of artists but also causes misunderstandings about the mission to support the front line."

The directive stated, "The Municipal People's Committee reminds that: every commercial show organization must be handled by the functioning agency, the Culture and Information Service. The organization of illegal shows is strictly forbidden. The mission of supporting the front line is noble and sacred and must be expressed by constant and realistic revolutionary actions in promoting socio-economic construction and development, and protecting the security of the fatherland in each local area and primary level unit. Special and urgent campaign phases with the arrangement of commercial shows must be decided by the Municipal People's Committee and handled by the Culture and Information Service. Every similar arrangement in the local areas, sectors and mass organizations (including central agencies and units located in the city) must have the approval of the Municipal People's Committee based on the requirements, wishes and contributory capabilities of the masses, and must have the consent of the Culture and Information Service. The performance of artists at preliminary summarization and summarization parties with subsidized funds must be approved by the Culture and Information Service while precisely complying with the regulations of that service on the system of artist compensation."

In order to protect the noble meaning of the mission to support the fatherland's front line and also to achieve wholesome cultural and art activities in the city, the Municipal People's Committee "requests that all administrative, sector and mass organization echelons, agencies and enterprises firmly coordinate in organizing shows and in properly complying with the regulations of the Municipal People's Committee. Culture and information sectors and the public security forces are responsible for inspecting, managing, promptly discovering and severely prosecuting every violation."

The above directive of the Municipal People's Committee is totally consistent with the wishes of the people and the artists who are sincerely serving the fatherland and the people. Directive 37 is not only an extremely timely response to the requirement for directing a specific task but also enriches the combat spirit and supervision and management effectiveness of the revolutionary administration, and is directed toward an objective of building socialist culture and art and the new socialist man. The beautiful spirit of this directive defines the proper attitude for every one of our citizens: resolutely struggle against every erroneous behavior and their external changes, and maintain the constant purity of shows.



MILITARY AFFAIRS AND PUBLIC SECURITY

READERS CRITICIZE COFFEE SHOP MUSIC, DISHONEST MERCHANTS

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 25 Aug 84 p 1

['Saigon People's Forum' column: "Music Coffee Matter Must Be Examined; Assisting Dishonest Merchants in Tran Binh Outdoor Market"]

[Text] The music coffee business presently appears to be "bursting out." In many refreshment-music shops, a glass of lemonade or cup of coffee has risen to 30 or 40 dong. Their customers are unemployed and idle youths who like to sit and listen to strange western music with insane lyrics. They therefore are operating a profit making business with irresponsible music which is ruining the youths.

On the major streets, almost every section has a music coffee shop. In the evening after 2000, they turn the sound up to its loudest to draw in the customers. On Ly Thinh Thang Street, one shop has both speakers pointed straight into the street to stir up the entire area.

The operation of a business with mongrel and decadent music in a number of music coffee shops must be set in order. Regular inspection is also necessary in the remaining coffee shops to avoid disturbances.

The local government has had specific regulations on the businesses to be operated and the various kinds of music to be played in the coffee shops and stores. We must recall and well-implement these regulations in order to assure the relaxation of the laborer during his off hours and to simultaneously build a wholesome culture.

Hoang Thi Hanh  
Ward 13, 3rd Precinct

It is possible to state that the Tran Binh outdoor market area is the most complicated trade area of the Binh Tay Market. A number of individuals here have assisted dishonest merchants by hiding goods for them. Nearly all the buildings in this area are under the management of the buildings and grounds sector but these leased structures have violated their contracts by renting them out as warehouses to store goods or for commerce.

The laborers here have revealed that those assisting the dishonest merchants have used many methods to conceal goods such as prying open cabinet bottoms or hollowing out locations in cabinets to tuck the goods inside.

Moreover, this area also still has a number of households that have not yet complied with the "five managements" of the state and seek every means of collusion to avoid policy.

Redelineation of the Tran Binh outdoor market area in our opinion is necessary and consistent with the wishes of the people in the subward. Rearrangement will clearly differentiate between those households strictly complying with the business registration policy of the state and those not yet in compliance in order to subsequently initiate policies of education and correction or prosecution in accordance with the law.

Ly Nam  
Tran Binh Market, 6th Precinct

7300  
CSO: 4209/66

MILITARY AFFAIRS AND PUBLIC SECURITY

PORT POLICE ARREST SMUGGLERS, RECOVER GOODS

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 12 Sep 84 p 4

[Article by H.B.: "Saigon Harbor Public Security Forces Apprehend Gang Engaged in Smuggling, Other Illegal Activities"]

[Text] Saigon Harbor public security forces recently uncovered and arrested many individuals engaged in speculation, pilferage and other illegal activities at the port and recovered a large amount of property and goods.

Members of Detachment 1--the unit performing a patrolling and blocking mission on the river--apprehended two individuals taking advantage of darkness to swim out to foreign ships for illegal activities, and recovered 50 foreign watches and more than 200 dollars. Personnel of the Khanh Hoi estuary public security post caught Tran Van T. in the act of stealing state property and recovered more than 2,300 kilograms of grain and an amount of other property.

Thanks to their fine achievement of the economic security protection plans, the Saigon Harbor Public Security Economic Police Unit has promptly discovered and exposed many incidents of long-distance smuggling. They recently apprehended a gang specializing in smuggling by ship and recovered more than 2,000 wrist watches (of the electronic type), more than 1,000 Honda spark plugs, nearly 2,000 albums and many other goods.

7300  
CSO: 4209/46

MILITARY AFFAIRS AND PUBLIC SECURITY

PRIVATE OPERATORS SELL STATE CONSTRUCTION MATERIALS

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 12 Sep 84 p 1

['Saigon People's Forum' column: "Promptly Eliminate Unorganized Market Selling Goods Under State Unified Management"]

[Text] At the present time along Chuong Duong Pier or the stretch of Bach Dang Street from Hanh Xanh to Ba Chieu are a great many privately operated facilities selling construction materials such as cement, sheet metal, bricks, lumber, paint, lime, etc.

If one takes the time to examine this, it can be seen that the volume of goods bought and sold during the day is extremely large, at times thousands of bricks and tiles, 20 or 30 sacks of cement or one or two lots of ready-cut lumber at an extremely high price. This is not counting the deliveries to other locations in even greater volume without requiring an invoice or shop at all.

We cannot eliminate the cases in which a number of people are sold construction materials by the state for building repair and sell what is left over, but they are insignificant compared with the volume of goods that these stores purchase from unsavory elements who steal state goods or engage in exchange collusion.

We believe that the home repair requests of the people in the city are extremely great but it is not because of this that the private operators are allowed to ruthlessly buy and sell these goods. Elimination of the unorganized market selling goods under state management is a necessity. Only by accomplishing this can we eliminate the stolen goods distribution centers and limit the harmful effects of the outside market. We also hope that the state-operated construction materials stores will reorganize their procedures to both respond to the requirements of the consumers and to assure prices and quality.

Le Ngoc Thong  
Ward 10, 1st Precinct

7300  
CSO: 4209/46

MILITARY AFFAIRS AND PUBLIC SECURITY

ECONOMIC POLICE ARREST DRUG SMUGGLERS, COUNTERFEITERS

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 13 Sep 84 p 4

[Article by H.B.: "Tan Binh District Economic Police Arrest Western Drug Smugglers, Counterfeit Drug Manufacturers"]

[Text] The economic police unit (of the Tan Binh District public security forces) recently caught in the act a group specializing in the smuggling of foreign western drugs. The group was led by Dinh Ngoc Huong from Ward 6 in Tan Binh District. Huong distributed money daily to his accomplices to loaf about the roads leading to the airport to meet people picking up and sending foreign goods in order to surreptitiously buy illegal western drugs. To conceal his illegal activities, Dinh Ngoc Huong hid the western drugs in many locations and set up a secret password with the other members of the group. In their search of these locations, the Tan Binh District economic police unit recovered more than 150 kilograms of western drugs of more than 300 kinds.

Prior to this case, the district economic police unit caught in the act a group of 12 individuals specializing in the surreptitious production and distribution of counterfeit western drugs. This group was led by Nguyen Thi Le Chi. Le Chi purchased the tools and materials and was the distribution center for the counterfeit drugs. The district economic police unit confiscated 20 kilograms of "raw materials" of all types, including manioc flour, dispensing equipment, vial covers and thousands of vials of counterfeit drugs of all types.

7300

CSO: 4209/46

## MILITARY AFFAIRS AND PUBLIC SECURITY

### HO CHI MINH CITY COMBATS SALE OF FRAUDULENT GOODS, DRUGS

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 5 Sep 84 p 1

['Saigon People's Forum' column: "Properly Punish Those Making Bogus and Counterfeit Goods; Locations Selling Smuggled Western Drugs Still Exist"]

[Text] Recently the market management team and assault youth forces of my ward caught red-handed a household making counterfeit cigarettes and tobacco on Dien Bien Phu Street. These bogus tobacco goods bore many labels, both domestic and foreign. The evidence consisted of 800 packages of Pall Mall, Jet, Vega, etc. cigarettes, 50 kilograms of shredded tobacco, 17 kilograms of packaged tobacco of various types and an amount of production equipment. Many households making counterfeit beer, soft drinks, tea and liquor were also discovered. This incident indicates the collective ownership spirit of the people in the neighborhood teams and the resolve of the local administration.

This dishonest gang had only an objective of making a profit without regard for the danger to the health and lives of the consumers.

Unable to allow this gang to continue committing crime, we will actively join the local administration in discovering those engaged in the manufacture and sale of counterfeit goods and those raising prices to disrupt the market. We suggest that the functioning agencies severely prosecute those with intentional violations.

Only when everyone has a concept of discovering those engaged in a dishonest living and the local administration has methods for properly punishing them can we hope to rid the market of bogus and counterfeit goods.

Nguyen Khanh  
Ward 15, Binh Thanh District

During the first few years following liberation, the many locations selling western drugs caused not a few difficulties for the public health agencies in maintaining and protecting the health of the people. Those greedy for money and without conscience took advantage of these locations to sell counterfeit and outdated drugs to directly endanger human health.

During the past few years, our city has had many methods and efforts to organize the production, management and distribution of drugs to the hands of the

sick while simultaneously transforming and appreciably restricting the "free" market in western drugs.

Nevertheless, there are presently not a few streets on which merchants dealing in contraband western drugs still surreptitiously ply their trade, especially in a number of locations on Nguyen Thong, Ly Thinh Thang, Nguyen Phi, etc. streets. At times, the trade in these drugs is almost overt with many different forms such as dispersal, personal delivery, concealment in another location for later pick up, etc.

We think that this is one of the illegal activities which our city should presently work to eliminate. Unsavory things such as the distribution of counterfeit drugs, swindling, nurturing of parasites, licentiousness, market disruption, etc. occur daily in these locations.

The people of the city will surely be happy and ready to join hands with the responsible agencies and the local administrations to tidy up these contraband western drug sales locations.

Pham Anh  
Nguyen Thi Minh Street, 1st Precinct

7300  
CSO: 4209/46



## MILITARY AFFAIRS AND PUBLIC SECURITY

### ILLEGAL PORK SALES CONDEMNED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 28 Aug 84 p 1

['Saigon People's Forum' column: "Halt the Butchering of Contraband Hogs"]

[Text] We, the ordinary citizens residing in hamlets 1 and 2 of Phong Phu Village in Binh Chanh District, wish to present to the paper the following things on the butchering of contraband hogs which we have seen with our own eyes and heard with our own ears.

The local people were extremely enthusiastic over the cooperative distribution of pork but when the amount is compared, that placed on the market by those butchering contraband hogs is still many times greater. Every night, from five to seven contraband hogs are transported by peddlers from Can Giuoc and Da Phuoc in Hung Long, hurriedly butchered and rapidly dispersed by motor bike, lamobretta and cart.

In the suburbs, it is necessary to bring those butchering and peddling hogs under the management and control of the functioning agencies. In order to protect the rights of the people and assist in stabilizing the market, we hope that the economic management sector will promptly reorganize the distribution of pork by responsible consumer cooperatives and arrange jobs for the hog peddlers and butchers precisely in accordance with their capabilities.

Phan Van An  
Binh Chanh District

7300  
CSO: 4209/46

MILITARY AFFAIRS AND PUBLIC SECURITY

MOTORBIKE THIEVES APPREHENDED IMMEDIATELY

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 14 Sep 84 p 1

[Article by Nguyen Thanh: "Motorbike Robbers Arrested"]

[Text] At about 0300 on the morning of 12 September 1984, a gang of thieves led by Lam Van Luc surreptitiously pried open a door and entered the home of Nguyen Van Bong at 10A Ben Van Don in Ward 12 of the 4th Precinct to steal two women's Honda motorbikes. Immediately after being informed by the people, the policemen in the theft pursuit and arrest unit (of the 1st Precinct public security forces) conducted an active search and only about 2 hours later--at about 0500 on the morning of 12 September 1984--discovered and arrested the thieves while they were preparing to "slaughter" one of the two bikes taken from Bong's family. The men of the theft pursuit and arrest unit returned the two bikes to the family of Nguyen Van Bong on the morning of 12 September 1984.

7300

CSO: 4209/46

## INTERNATIONAL RELATIONS, TRADE AND AID

### BRIEFS

PROVINCIAL COOPERATION WITH KAMPUCHEA--Hanoi, VNA, 28 Oct--In furtherance of an economic and cultural cooperation agreement for 1984, Long An Province in the Mekong River Delta has helped Svay Rieng Province in southeastern Kampuchea build 13 kilometres of road and repair a 30-metre bridge, set up an ice-house, a gasoline depot and a rice storehouse, reports SPK. The agricultural service of Long An has also helped Svay Rieng grow 180 hectares of the IR-36 high-yield rice strain and build two small irrigation works. [Text] [Hanoi VNA in English 1526 GMT 28 Oct 84 BK]

PANAMANIAN LEADER GREETED--Hanoi, VNA, 2 Nov--State Council President Truong Chinh today sent warm greetings to Nicolas Ardito Barletta, president of the Republic of Panama, on the 81st anniversary of the latter's independence day (3 November). In his congratulatory message, Truong Chinh said: On this occasion, I reaffirm Vietnam's solidarity with and support for the Panamanian people's just struggle to regain complete sovereignty over the Panama Canal, and for the building of a prosperous Panama, thus contributing to the defence of peace in Central America and elsewhere in the world. May the friendship between the peoples of Vietnam and Panama further consolidate and develop. On this occasion, Foreign Minister Nguyen Co Thach sent a message of greetings to his Panamanian counterpart, Fernando Cardoza Fabrega. [Text] [Hanoi VNA in English 1637 GMT 2 Nov 84 BK]

COMMUNIST PARTY CONGRESS GREETED--Hanoi, VNA, 3 Nov--The Central Committee of the Communist Party of Vietnam today sent its warm greetings to the special congress of the Communist Party of Australia. The message expresses the solidarity of the communists and other people of Vietnam with and their support for, the efforts of the CPA and other Australian democratic and progressive forces in the struggle against monopoly capital, for well-being democracy and social progress. The Communist Party of Vietnam, it says, highly values the peace movement in Australia, in which the CPA plays an active role, for making Australia and the Pacific nuclear-free. It says: "We are confident that you will overcome the temporary difficulties and, together with other Australian peace and democratic for will record many new and still bigger successes. "May the solidarity and friendship between our communist parties and between the Vietnamese and Australian peoples be constantly consolidated and developed." [Text] [Hanoi VNA in English 1542 GMT 3 Nov 84 OW]

GDR, FRG MEDICAL AID--The Red Cross Association in the German Democratic Republic recently decided to help our people by sending a shipment of goods consisting of 36 packages of drugs and tonics. The Red Cross Association in the Federal Republic of Germany has decided to help our people by providing a number of drugs, absorbent cotton and clinical equipment valued at 350,000 marks (the currency of the Federal Republic of Germany). [Text] [Hanoi NHAN DAN in Vietnamese 6 Sep 84 p 4] 11943

CSO: 4209/11

## PARTY ACTIVITIES AND GOVERNMENT

### RISE OF NEW BOURGEOISIE IN VIETNAM DISCUSSED

Hanoi TAP CHI THONG TIN LY LUAN Aug 83 pp 3-14

[Unattributed article: "Who Are the New Bourgeoisie?"]

[Text] The recent observation of the Political Bureau of the Party Central Committee regarding the appearance of new bourgeois elements in our country was a very important one. It posed many theoretical and practical problems of the class struggle in our country in the period of transition, and was also relevant to many problems regarding the comparison of class forces of the Vietnamese revolution and the contents of the struggle between the socialist path and the capitalist path to successfully carry out the socialist revolution in our nation. The source of origin of the new bourgeoisie is related to the contradictions of the present first phase of the great undertaking of building socialism in our country, the antagonistic nature of the contradictions, policy, and strategy of struggle against the enemies of the revolution, the objective and subjective reasons, the difficulties left behind by the war, and the sabotage schemes and plots of the enemy, as well as the shortcomings and deficiencies in our economic management and the reciprocal effects of the internal factors and the external factors, against the background of the U.S. imperialists allying with the Beijing expansionists and the other reactionary powers to oppose the Vietnamese revolution.

In order to contribute to clarifying that observation of the Political Bureau, we will endeavor to present some theoretical and practical problems in order to scientifically analyze the new bourgeois class from Marxist viewpoints, and thereby contribute to promoting the struggle against the new enemies of the revolution. That is a very new and complicated matter which must become a joint research topic by many social science sectors in our country, from economics, history, and political science to psychology, sociology, management science, etc. We will discuss the following matters primarily from the point of view of sociology and social psychology. Specifically, the presentation will concentrate on:

1. Lenin's definition of classes.
2. The special characteristics of the new bourgeoisie.
3. The economic-social roots of the new bourgeoisie.

#### 4. Seeking to understand the criteria for defining the new bourgeoisie.

##### Lenin's Definition of Classes

Let us begin with Lenin's famous, classic definition of classes: "Classes are large groups of people which differ from each other by the place they occupy in a historically determined system of social production, by their relation (in most cases fixed and formulated by law) to the means of production, by their role in the social organization of labor and, consequently, by the distribution and mode of acquiring the share of social wealth of which they dispose." (1) Of the three above-mentioned criteria -- relation to the means of production, role in the social organization of labor, and mode of acquiring and disposing -- the criterion of ownership of production means is more decisive than the other two criteria. Today Lenin's definition still retains its value, despite opinions that would revise that definition. The problem posed here is to use it creatively under the specific circumstances of each economic-social form, taking into consideration the specific history of each nation and each developmental phase of that nation. Here there must be a specific analysis of specific circumstances. Indeed, the bourgeois class in the developed capitalist countries differ from that in the developing nations and the bourgeois class in the period of advance, and plays a different progressive historical role that differs from that of the bourgeois class once capitalism has entered its final phase, with its reactionary, bellicose, and parasitic nature. The bourgeois class in the developed capitalist countries differs from the bourgeois class in countries which do not pass through the phase of capitalist (precapitalist) development and in countries which have escaped from the yoke of colonialist domination (in the new terminology: the precolonial stage, the colonial stage, and the postcolonial stage), especially in countries which have experienced old-style and new-style colonialism and the countries of the third world. The economic-social bases for defining the bourgeois class are the scale and nature of production -- small-scale production or large-scale production -- and the type of production relations: capitalist production or socialist production. Finally, the phased nature of social development is also very important. Specifically, the transitional nature of social formation, the common tendency of which is taking place on a worldwide scale, and therefore in each country the tendency is changing from socialism to capitalism. Here one cannot but distinguish the maturity of each society with an economic-social form: socialism in the period of transition or in another developmental period. It is possible to mention a number of bases on which to determine the class structure and the actual situation of each class in each developmental period, but that determination must be based primarily on the following groups of factors:

- a. The specific status of origin determined by history, in which the most decisive factor is material production (the production relations, economic system, production forces, and actual situation of the material production of society).
- c. The comparison of forces within and without the nation.
- d. The spontaneous processes outside society's control plans.

### Special Characteristics of the New Bourgeoisie

Let us compare the most fundamental special characteristics of the two types of bourgeoisie, which we will term the classical bourgeoisie (in the classical Marxist sense) and the hooligan bourgeoisie, a transfiguration of the classical bourgeoisie under the special circumstances of our country at present.

1. Own the principal means of production (such as workshops, factories, and railroads).
2. Exploit the wage labor of workers in order to control surplus labor.

### Money-Goods-Money

3. Their principal activities are production and commerce.
4. Become rich by exploiting workers, improving management, and applying scientific-technical advances.
5. Have sophisticated, clever means of exploitation.
6. Engage in "proper" commerce.
7. Have a "homogeneous" social composition extending over many generations.
8. Give rise to a certain culture and ideology.
9. Have a distinctive way of life and separate customs.
10. Worship extreme individualism.
11. Are a social class and organized force.
12. Are educated with regard to culture, science, and technology.

### The "Metamorphosed" Hooligan Bourgeoisie

1. Do not own means of production (their so-called "production means" are merely money and goods).
2. Exploit the working masses to seek profits and plunder.

### Money and Gold -- Goods -- Money

3. Do not produce or engage in commerce but engage in business illegally (speculation, blackmarketing, lending at high interest rates, producing ersatz goods, stealing, and employing noneconomic schemes).



4. Enrich themselves by means of all ugly, illegal schemes, engage in economic sabotage, and monopolize the market.
5. Exploit in a brazen, swindling, and wily manner.
6. Their methods of seeking profits are speculative and unsteady, "anything goes."
7. Their social composition is mixed and confused.
8. Their culture and ideology are not definite, but are assorted, cross-bred, and foreign-serving.
9. They have a "disorganized" semi-bourgeois, semi-aristocratic, landlord, nouveau-riche, boastful, crude way of life.
10. Worship helter-skelter individualism.
11. Are an unorganized social stratum who enter into devilish alliances with all kinds of bad, mercenary people.
12. Are uneducated or have a low cultural-technical level.

We believe that the new bourgeoisie differ from the classical bourgeoisie above all in that they do not produce or engage in commerce to earn profits, but primarily profit from illegal business activities instead of seeking legitimate profits or income. At first glance they are like the commercial capitalists, but a careful analysis shows that they are far from being commodity capitalists, commercial capitalists, or monetary capitalists. First of all, it can be affirmed that they are in no way similar to the industrial capitalists or to the production capitalists because they do not have factories or workshops (which belong to the proletarian dictatorship state). According to one view, they are commercial bourgeoisie, but according to the viewpoint of Marx they are a more reactionary form of bourgeoisie than the industrial bourgeoisie in terms of their creativity, i.e. their production of material wealth and role as the foundation of large-scale capitalist production. In the hands of the new bourgeoisie goods obtained by illegal means (collusion, the production of ersatz goods, theft, adulteration, switching goods, and poor-quality goods) pass through many cycles before reaching the consumers, not just two cycles as in the case of the commercial capitalists. It may be said that the new bourgeoisie are not commercial bourgeoisie because they seek profits from other sources than commerce and their mode of doing business is far from that of the big, classical merchants, i.e. the "proper" merchants who assure the quality of their goods and are oriented toward the needs of the consumers. As Lenin admonished us, we must study them. Nor do they correspond to the Asian type of merchant, criticized by Lenin for doing business on a small scale and irregularly, for dealing in sundry goods without having "main line," fixed products produced on a large scale to ensure a large, stable source of goods, and for dealing in sundry goods on rural markets. The "profits" of the new bourgeoisie break all laws of value of the capitalist market. They are not legitimate profits and income or surplus value: the goal is to amass as many

profits as possible. In that regard they are similar to the classical bourgeoisie, about whom Marx said, "If profits are high the capitalists do not even fear being harmed." But they differ from their "father" in that they seek profits by means of all schemes and by dealing illegally in anything provided that they make a profit (dealing in ersatz goods, producing ersatz goods, switching goods, lending money at high interest rates, dealing in houses, antiques, and foreign currency, colluding, speculating, dealing in foreign luxury goods, etc.). They take advantage of their authority to buy and sell and to take goods from south to north or from north to south, so that they can earn immediate profits and "earn a fortune" on the spot. They are not accustomed to investing and patiently waiting to recover their capital and earn profits, like the classical bourgeoisie, but are only accustomed to pragmatism and materialism, to enriching themselves immediately and rapidly by means of all legal and illegal schemes and means. Under the circumstances of a socialist regime, they always seek ways to "legitimize" their enrichment. Hiding behind the appellation of the state and cooperatives, and taking advantage of degenerate cadres, they set up "ghost" stores and cooperative teams which have all necessary paperwork and official seals which conform to the rules and regulations, so that they can engage in activities to become rich, evade taxes, and evade laws. Perhaps that is why it is difficult for the dictatorship organs to find documents and books which do not conform with regulations. Because they operate in accordance with a structure and via a path which sociology terms "unwritten rules" -- oral agreements and collusion without paperwork, disguised bribery (sometimes in the form of one-of-a-kind lottery tickets, gifts, commissions, and payments of money). If the sources of income beyond the amounts of money and property they should have accumulated are not investigated, it is difficult to expose their illegal wealth. Today, under the new circumstances there has arisen profit making to enrich groups. There is practically no purely individual illegal enrichment. Instead, they band together in groups in the manner of "share and share alike," "the whole village sharing profits and losses," jointly taking risks and making profits, and jointly bearing responsibility for crimes. There are many forms of illegal alliances for enrichment, but the most noteworthy is that made up by merchants, hooligan middlemen, and degenerate cadres in state organs and enterprises. Those devilish alliances are the structure and way of livelihood of the new bourgeoisie.

In brief, under the present circumstances the money and goods of the new bourgeoisie play the role of the production facilities of the classical capitalists but are intended more to sabotage the economy than to produce in order to serve the lives of the people. By possessing a few tens of thousands of dong or more they can upset the market, and that is sufficient for the new bourgeoisie to act freely, plunder, and enrich themselves in a dynamic manner.

Thus the most basic characteristic of the new bourgeoisie is becoming rich by illegal, noneconomic means.

When speaking of dishonest, illegal enrichment we distinguish it from legitimate, legal enrichment. It is true that socialism cannot yet achieve social equality with regard to the income of citizens because of differences with regard to the quality and quantity of labor, because of inherited possessions, because of family incomes, because the number of children and

dependents differ, because of skills and business acumen, etc. Thus the incomes of individuals and families cannot be identical and levelling and egalitarianism cannot be adopted. In other words, it is necessary to distinguish clearly between people who prosper legitimately and legally and those who prosper illegally, although the concept of "enrichment" has specific historical and regional qualities (for example, in the south in comparison to the north), etc. Indeed, on the basis of essentially small-scale production, it is difficult to enrich oneself "on a large scale" if one does not engage in illegal, "you can only get rich in commerce" livelihood.

By raising hogs and growing additional vegetables and beans, etc., at best it is only possible to attain self-sufficiency and not become rich. However, it is also necessary to emphasize in leadership thought and among the broad masses the concept of legitimate enrichment. Especially, it is necessary to define standards regarding legitimate enrichment and illegal enrichment in order to struggle against the new bourgeoisie while encouraging the various strata of people to engage in production and commerce in order to enrich the homeland and themselves and increase the material wealth of socialism. Only thereby is it possible to oppose peasant-style egalitarianism and avoid falling into the situation of indiscriminate struggle against the wrong categories, which causes unnecessary tenseness in society. It is not true that all big houses were acquired by means of illegal livelihood, although that probability is noteworthy! Furthermore, while the south still has five economic components it is also necessary to confirm that the private bourgeoisie who engage in legal production and commerce, who are still necessary and continue to exist under socialism, must be subjected to the close management and supervision of the proletarian dictatorship state. The new bourgeoisie, the hooligan bourgeoisie, differ from the state bourgeoisie, who engage in production and commerce within the framework of state laws. Perhaps the private capitalist element who engage in production and commerce are very similar to, and must be similar to, the classical bourgeoisie we have discussed above, i.e. engage in profit-making commercial activity within the framework allowed by law. To speak of the bourgeoisie and capitalism is to speak of exploitation and profit-seeking, but only within the allowable limits and to serve the national economy. Although the classical bourgeoisie always tend to collude with the new bourgeoisie in sabotaging the economy and society, we should not lump them together. Whether or not the classical bourgeoisie are subjected to state supervision or collude with the new bourgeoisie, who have the bad habits mentioned above, depends above all on whether or not we firmly grasp the proletarian dictatorship. Due to their objective interests, the new bourgeoisie and the classical bourgeoisie may form an alliance to oppose the revolution. When one arises the other will lift its head. They may ally with degenerate cadres, hooligan and vagabond elements, and the domestic and foreign reactionary powers to form an alliance against the revolution and form a political-social force. We compare the special characteristics of the two kinds of bourgeoisie in a relative sense in order to affirm the nature of the bourgeoisie, for in actuality all comparisons are shaky. Furthermore, to say that the new bourgeoisie engage in more "proper" and "correct" commercial activities than the new bourgeoisie is not to praise one for being less "abusive" than the other. Whether classical or hooligan, or old or new, they share the same nature: exploiting the working class and laborers. Since they are bourgeoisie, none of them are good, kind, or proper. But Marxist analysis requires historical viewpoints, so it is

necessary distinguish between the new bourgeoisie and the classical bourgeoisie, which are the class of the capitalists, i.e. people who own the means of production and enrich themselves by exploiting wage workers in the primitive state, when they have a definite historical effect and are tied in with a more advanced production mode than that of the feudal class, which only knew how to exert noneconomic exploitation and coercion, were impotent, and practically did not know how to engage in commerce and economic activities. From that "primitive state" it gave birth to a "deformed child": the new bourgeoisie. The new bourgeoisie are the deformed child of the classical bourgeoisie because before the victory of the socialist revolution it itself had become outmoded and was on its way to extinction and was becoming belligerent, reactionary, and parasitic. Karl Marx and V.I. Lenin dissected capitalism and at the same time pointed out its historical mission. In that spirit, the classical Marxist-Leninists encouraged communists to study business methods and apply science and technology to humanitarian goals to make the people rich and the country strong. In our country the new bourgeoisie were also born under the specific circumstances of the nation in both regions. In the south, the new bourgeoisie sprang up under the U.S.-puppet neocolonial regime. In the north, the new bourgeoisie appeared in especially large numbers after our country was completely unified. Furthermore, our deficiencies and mistakes during the recent period are evident. They are the subjective factors which stimulated the appearance of the new exploiting stratum which we are struggling to eliminate.

#### Economic-Social Roots of the New Bourgeoisie

It is not surprising that the new bourgeoisie appeared in our country at that time, with the nature, form, and special characteristics analyzed above. In order to clearly understand the socioeconomic roots of that stratum it is necessary to have meticulous, combined study.

All points of view from one sector or angle can only see one aspect. Some people have the opinion that the new bourgeoisie arose because of economic difficulties, because we have relaxed education, because our management is weak, because of the degeneracy of some cadres and personnel, or because of sabotage by the enemy, etc. Each of those opinions has its validity, but there is no longer any doubt that the economic-social bases must be understood first in order to explain the appearance or disappearance of a class or social stratum. First of all, there is small-scale production and interspersed state, collective and private ownership. Millions of individual peasants, more than a million small merchants, and large numbers collectivized peasants have not yet cut off their private ownership tail. As Lenin said, those things "every day and every hour give rise to capitalism." It is not surprising that a new exploiting stratum should emerge from that sea of small production. It cannot be prevented, as some people think. Small-scale production and the people engaged in it always stand before two paths: socialism and capitalism. Viewed more profoundly, the tendency to slip over to the path of spontaneous capitalism, is still a real possibility. Small producers always tend to "arise to become small proprietors"; recently a number of people have found ways to open small stores and become small proprietors. That further demonstrates the above-mentioned dictum of Lenin. Tied in with small-scale production are



speculation and the psychology of private ownership, which are still prevalent among a considerable number of people. The neocolonialism in the south in the past and the present attacks of the enemy with regard to economics, ideology, and psychology are notable factors which have given rise to the new bourgeoisie. Furthermore, our economic-social policies and bureaucratic management mechanism have enabled them to grow greatly during the past several years.

The relaxation of the proletarian dictatorship is a subjective factor which has stimulated the birth and blossoming of that stratum of termites. Recently the distribution-circulation front has been neglected in many regards, so the new bourgeoisie have concentrated on earning their livings in that sector, on sabotaging circulation and distribution and on dishonest commerce, more than on earning their livings by production. Although the new bourgeois stratum is only an insignificant group of people in society, when they ally with the other reactionary and anti-socialist powers, such as the old bourgeoisie, the domestic and foreign reactionaries, and the hooligans, thugs, criminals, and degenerate cadres they can become a social-political power which opposes us, not merely an economic power. They sabotage society in all regards: economically, politically, culturally, and morally. They directly spread and propagandize the bourgeois ideology and way of life in all forms, and thus can inflict very great harm, especially on the young generation.

#### Seeking to Understand Criteria for Defining the New Bourgeois Stratum

This is an extremely complicated problem of great theoretical and practical significance, for only by correctly defining the object of struggle can we win complete victory. Because of the vague, illegal enrichment activities of the new bourgeoisie, and because they have only "recently" appeared, it is not easy to identify them. The building and purchasing of expensive houses can be an obvious and easily applied criterion, although it is only one criterion and is not yet a general criterion and is not conclusive proof, for in addition to houses the new bourgeoisie have hidden sources of income and wealth, such as gold, precious stones, or foreign currency which are hidden in sophisticated ways or dispersed, so it is necessary to simultaneously struggle and determine the criteria of the objects of struggle. Perhaps it is necessary to determine some objective bases for determining criteria. At present, the actual struggle and modern science demand and permit the manifestation of such criteria in terms of quantity, which can be measured accurately although with difficulty. The following bases may be used:

1. The mode of enrichment: production or hoarding, speculation, and blackmarketing.
2. Continuous, systematic activity or irregular activity.
3. The degree to which possessions are obtained by dishonest, illegal means (may be stated in terms of monetary units, such as the total worth of possessions in tens of thousands, hundreds of thousands, or more, dong, etc.).

4. What are the objects of speculation and commercial activity? Foreign exchange, opium, gold, precious stones, strategic and forbidden goods, etc.?
5. A luxurious, boorish, extravagant ways of life.

Of those criteria, the most general and basic in the degree and nature of illegal enrichment activities. The way of life is a secondary criterion which serves more to "recognize" people in this category than to confirm them.

Here we must mention the lack of uniformity among the various strata of the new bourgeoisie.(2) The environments which give rise to them are not identical so the criteria for confirming them cannot be identical. A member of the new bourgeoisie in the north is certain to differ from one in the south with regard to the degree and method of enrichment, but they must be similar with regard to the nature of their enrichment activities: illegal and destructive. Only by distinguishing the new bourgeoisie by means of objective criteria is it possible to distinguish them from new small proprietors, although the boundary between them is difficult to determine. The determination of the criteria of the objects of struggle and the creation of solid legal bases for the policies and measures for dealing with them require meticulous study based on the theory and actuality of struggle which is seethingly taking place in our society.

New bourgeoisie or merchants who enrich themselves illegally and dishonestly? What kinds of people are they, under what circumstances do they arise, what objective and subjective factors gave rise to them, and what should the strategy of struggle be to restrict and eventually completely eliminate those parasitic termites exploiting classes and strata in socialist society? Those are theoretical and practical problems which we must continue to study and define in the struggle between the two paths, which is long and difficult but which we are certain to win.

At this point it is also necessary to mention the use of terminology. A concept is correct when it correctly reflects the nature of something. Examining and unifying the method of using terminology is not merely a matter of literature and semantics but is an extremely important matter because it reflects the actual situation. At present, we are aware that there are different terms, such as the new bourgeoisie, merchants and groups who enrich themselves illegally and dishonestly, etc. Which term is more accurate and correctly reflects the true nature of the object of class struggle? We believe that the concept "new bourgeoisie" should continue to be used because it reflects relatively accurately a new social-political-economic power. There are opinions that the "new bourgeoisie" are only an element and have not yet become a class; most dangerous of all, that they are becoming a class stratum; and that they in nature differ from the bourgeoisie according to the classic Marxist definition and are more similar to the small merchants (not the commercial bourgeoisie or the big merchants), and thus should be called "small merchants." That opinion is rational in that it is correct that they are more like small merchants than the bourgeoisie, but because "small merchants" are tied in with image of "buying and selling" in the ordinary concept, if the term "small merchant" is used it may be difficult for people to realize their class nature and forget the basic similarity between them and the bourgeoisie class.

according to the usual definition of the classic Marxists-Leninists. They are in fact small merchants but they are in nature bourgeoisie, although hooligan bourgeoisie, and transfigured, monster bourgeoisie. The term "dishonest enrichers" has a more narrow meaning. Although the term more clearly and specifically describes their illegal profit-seeking activities, it lacks a linguistic basis on which to explain their class nature.

In sum, in our opinion it is necessary to standardize the use of the term "new bourgeoisie" rather than the terms "small merchants" or "dishonest enrichers," provided that an accurate scientific content is created for that term.

#### FOOTNOTES

1. V.I. Lenin, "Collected Works," vol.39, Tien Bo Publishing House, Moscow, 1979, pp 17-18.

2. Perhaps one should categorize the new bourgeoisie into such subcategories as new bourgeoisie arising from small proprietors, those arising from hooligans, those arising from degenerate cadres and civil servants, those arising from the old bourgeoisie who refused to reform or have criminal records, etc., in order to have correct policies toward each type.

5616

CSO: 4209/33



## ECONOMIC PLANNING, TRADE AND FINANCE

### IMPORTANCE OF COMBINING ECONOMY, NATIONAL DEFENSE EMPHASIZED

Hanoi TAP CHI KE HOACH in Vietnamese Dec 83 pp 1-4

[Unattributed article: "Some Problems in Combining the Economy and National Defense in Economic Planning"]

[Text] 1. The economy is the basis, the foundation, of national defense strength and is one of the factors which combine to form the combined strength of people's war to defend the homeland. Engels affirmed that "Nothing depends more on the economic prerequisites than the army and fleet."<sup>(1)</sup> Indeed, modern war requires that the national economy be a large-scale socialist production economy with a modern, rational industrial-agricultural economic structure that is increasingly capable of attaining the goals of socialist production and fulfilling the role of serving as a solid economic basis for the development and constant perfection of the factors which form the combined strength of national defense by all the people and of people's war.

The objective requirements of that national defense enterprise have given rise in the national economy to a distinctive form of economic activity, to a distinctive economic structure. Those economic activities meet the goals of military consumption, and that economic structure is determined by balanced relations in each economic-technical sector and territorial area in order to fulfill production missions and serve national defense. Military science and economic-military science utilize the concepts of economic-military processes and economic-military structures in order to reflect that distinctive state of the economic processes and of the economic structures when it is necessary to provide economic support for the great undertaking of national defense.

Due to the nature of the socialist system, due to the objective requirements of the economic laws of socialism and the nature and characteristics of national defense by all the people and of people's war to defend the socialist homeland, the economic-military structure of socialist society does not exist independently from the economic structure. It penetrates the economic structure and the economic processes, and becomes a special qualitative state of the economic activities. That is a state of combining and simultaneously fulfilling both missions: economic development and providing economic support for national defense.

On the basis of the economic laws of socialism, the laws of people's war to defend the socialist Vietnamese homeland are exerting an effect in our country,

the economic structure of which manifests the correct combination of the economy with national defense and is an economic structure in the process of developing and doing an increasingly better job of meeting the needs of national defense and war to solidly defend the socialist Vietnamese homeland. It must attain the following four goals:

Appropriateness and harmony in building a unified system of strategic deployment in order to achieve mastery with regard to both the economy and national defense.

Unity of the economic development needs and the need to consolidate national defense in the social labor structure.

Unity of the material-technical bases of socialism and the material-technical bases of modern national defense by all the people.

Readiness by the entire nation, by the economic-technical sector, and by the localities to change their mode of operation from peacetime to wartime.

Thus the economic structure which ensures the correct combination of the economy with national defense is in fact a structure of large-scale socialist production which takes form and develops under the direct effect of the economic laws of socialism. However, the economic accomplishments that are attained must at the same time meet the needs of the economy, life, and national defense. If that is to be achieved, in all economic management activities it is necessary to determine a path of advance and economic development measures which obey the objective economic laws, take into consideration the effect of the laws regarding the preparation and carrying out of war, and combine the implementation of both economic and national defense missions.

In order to create for the nation large-scale socialist production with an industrial-agricultural structure which correctly manifests the correct combination of the economy with national defense and which in peacetime prepares for wartime, it is very obvious that it is necessary to, on the basis of the characteristics of the revolutionary situation and missions and the economic development and national defense consolidation requirements in each specific period, concretize the lines of the Party into economic strategy and economic-social development plans in order to simultaneously meet the needs of the economy, life, and national defense. To do so is to firmly grasp the viewpoint of combining the economy with national defense in economic planning and bring the providing of economic support for national defense into the planning structure, so that it becomes a permanent mission and a necessary activity guide in all economic processes.

The combining of economics with national defense poses the following requirements for economic planning:

First, it is necessary to firmly grasp the goal of developing and rationally and economically using all capabilities that can be immediately developed, including the military forces in each base and locality and nationwide, and to

promote economic transformation and construction and endeavor to attain real, specific results to enable all forces of the nation to become stronger under all comprehensive economic-social circumstances of the present phase.

Second, there must be an over-all plan to create economic structures in each territorial area and locality (province and district) for each economic-technical sector which is in accord with national defense plans in order to ensure that each step in forming a new economic structure is a step toward the goal of socialist industrialization.

Third, it is necessary to draft long-range and short-range economic-social development plans with economic-social development norms, missions, guidelines, policies, and measures, and which simultaneously meet the over-all economic-social norms regarding the economy, life, and national defense which are concretized for each period of time and each locality, sector, and base.

Fourth, combining the benefits of developing the economy, improving the people's living conditions, consolidating national defense, protecting production, protecting the localities, and protecting the homeland in the economic lever policies in order to develop combined strength which arises from the collective mastership right of the working people with regard to both missions: building and defending the homeland.

2. The Fifth Party Congress affirmed that "Economic planning and zoning, labor distribution, and the distribution of production forces in building the economic-technical sectors and in local economic development must create a unified strategic deployment in order to achieve mastership with regard to both the economy and national defense on a nationwide scale and in each locality. Both the central economy and the local economy must pay attention to providing on-the-spot rear services for defense."(2)

That direction must be fully understood in the study and drafting of plans. Specifically:

a. Plans for economic zoning and the distribution of labor and production forces must bring about the highest economic-social effectiveness and meet the demands of military strategy in order to, by means of fulfilling economic-social development plans, develop territorial economic areas into areas which can be meticulously defended front lines and powerful strategic rear areas which are strongly defended. If that is to be accomplished, planning in each area must pay attention to:

Satisfying the requirements regarding the labor structure in order to facilitate the building of an armed forces structure that is in balance with the national defense plans. The production structure and production direction must be capable of meeting at the highest possible level the technical rear services needs of local people's war, in combination with war fought by the main-force units. With regard to the infrastructure, they exert a direct, real effect on building and perfecting the status of people's war.

Determining appropriate guidelines for making maximum use of all economic accomplishments in national defense and, vice versa, fully utilizing the

national defense material-technical bases in the economic-social development missions.

Determining the necessary steps and specific norms and missions in order to, in each specific period, concentrate forces in economic construction while still meeting the immediate and long-range needs of national defense.

b. In planning the creation of local economic structures it is necessary to fulfill the requirements of developing the districts into fortresses which defend the homeland and developing the provinces into strategic economic and national defense units on the basis of developing as well as possible the on-the-spot capabilities. In plans to develop district military fortresses it is necessary to pay attention to the requirements regarding the building of a mass armed forces structure which is not separated from production, the creation of on-the-spot rear services, especially foodstuffs and ordinary combat facilities, the development of the national defense status, and especially the development of transportation and communications networks to ensure that the districts can in combination form a front, a fortress consisting of villages, state farms, and state forests, and to fulfill the mission of fighting to maintain local mastery by means of the local armed forces. The province, which has a larger area, is a unit with conditions for combining local strength with the strength of the entire nation and for combining local people's war with war fought by the main-force units. Plans for strengthening national defense in the sphere of each province are plans for creating national defense strength in order to prepare to oppose aggression on a certain battlefield of people's war to defend the homeland. Requirements regarding the building up of local troops (part of the regular army system), providing technical rear services for both the main-force army units in combined arms combat, etc., must be fully understood and gradually implemented in economic-social development plans and in creating the provincial industrial-agricultural economic structures.

c. Plans to build and develop the economic-technical plans must be combined with plans to develop national defense and provide material-technical support for a modern conventional army and for the people's armed forces in order to mobilize and use in a scientific, rational, and economical manner the material-technical bases of socialism, in order to strengthen national defense capabilities while at the same time rationally mobilizing the equipment capacity and production capabilities of the national defense production bases which serve the economy and life.

d. Plans to build infrastructures, especially plans to develop transportation and communications and plans to build rear-services and technical support systems in each area and on a national scale must be in accord with and in unison with plans to build and perfect the status of people's war, and must be capable of utilizing to the maximum extent the infrastructures serving the economy, life, and national defense, in a manner appropriate to both peacetime and wartime.

e. Plans to develop science and technology, train scientific-technical cadres, and build scientific-technical applied research centers must also follow the above-mentioned combined guideline, in order to fully utilize all scientific-

technical forces of the army and build for the nation modern Vietnamese military science and technology.

f. Plans for building and consolidating national defense -- building the people's armed forces, developing national defense industry, and investing in capital national defense construction -- are plans of decisive importance in strengthening the nation's defensive forces. They must be skillfully drafted so that they can be in accord with and in balance with the economic development plans, and become component parts of the over-all local and national plans.

3. On the basis of those plans we will study the creation of an economic-social development plan system that is appropriate to each period and consists of plans intended to meet the many needs of national defense in peacetime and wartime, and plans regarding the economic activities of the armed forces. In that system of plans it is necessary to pay attention to the following aspects:

a. Plans which meet the permanent peacetime needs of national defense, especially those which meet the needs of the army and the localities in forward areas. On the basis of the interests of each locality and of the nation as a whole, there must be plans to meet the economic needs of national defense in each locality (province or district). At the same time, there must be plans for the nation as a whole. Those plans synthesize the different needs of national defense, are analyzed and balanced with the economic-social development plans, and are manifested in the form of national defense mobilization norms for the national economy and in the form of economic-social development guidelines and policies which meet the requirements of national defense. That can be accomplished only when there is continuous, close cooperation between the military organs and the planning organs in order to, on the basis of firmly grasping the situation and the necessary developmental tendency of the economy, select economic development guidelines that are appropriate to the economic and technical measures which are most beneficial for both the economy and national defense.

b. Plans to mobilize the army and the economy and to prepare the economy to oppose aggression. Such plans are intended to create during peacetime the necessary conditions for rapidly and promptly mobilizing the labor forces, materiel, goods, and capabilities to produce and serve national defense of the localities and sectors when required by the situation. Those plans are not limited to determining the norms and missions when there is a mobilization order but also set forth the guidelines that must be followed in peacetime to ensure the favorable implementation of such mobilization missions as:

Increasing labor productivity in the sectors and localities at a high level of mobilization and increasing sources of accumulation in each base and locality and nationwide.

Preparing the necessary conditions, according to the necessary mobilization requirements.

Simplifying as much as possible the tasks that must be carried out when there is a mobilization order, such as changing the production and service



guidelines, reorganizing production, changing the technology standards, and preparing materials and technical workers.

Deploying an economic management apparatus that has the preconditions for organizing and waging local people's war, and for both fighting and producing under wartime conditions in order to ensure victory.

c. A plan for the first year of the war, which is a plan for economic-social development after the nation enters a war that is aimed most directly and importantly toward ensuring victory from the very beginning. That plan, which will replace the economic plan that was being implemented in peacetime, has the following requirements:

Ensuring the necessary economic continuity when changing over from peacetime to wartime and keeping to the minimum upheavals that may occur.

Defending the nation's economic potential against enemy attacks to the greatest possible extent.

Promptly adjusting the balanced relationships in the national economy along the lines of using rationally and economically, with the greatest possible effectiveness, all capabilities that can be utilized, including capabilities that were not mobilized in peacetime, in the combat and production missions.

Manifesting the completeness, systematic nature, and continuity of the economic policies and measures in wartime, and ensuring that all economic-social activities can still be maintained and managed according to plan even under wartime circumstances.

All localities and sectors are affected by war, to differing degrees. Furthermore, the mission and position of each locality and sector with regard to national defense differ. Therefore, in wartime economic planning it is essential to take those special characteristics into consideration in order to have concentrated guidance of the localities and sectors which must be mobilized to a high degree and must be reorganized on a larger scale.

The plan for the first year of the war is a stand-by plan for an unforeseen situation. Therefore it is a plan which is drafted simultaneously with the peacetime economic-social development plan and is based on the actual economic situation at present and scientific estimates regarding a war that could break out. It is used as one of the bases which manifest the level, requirements, and direction of wartime preparation.

d. Planning economic activities in the army has an important significance with regard to ensuring that all economic-social activities of socialist society are in correct accordance with state plans.

The army participates in production (agricultural and industrial, especially consumer goods industry) and meets part of its needs, thus directly and practically participating in developing the local economy and creating sources of rear services. Therefore, it is necessary to draft plans regarding economic

activities in the army from the bottom up, combine them with the local and state economic plans, and carefully consider economic effectiveness.

Under the circumstances of the economy being seriously imbalanced, the goods-money relationship is one of the most complicated relationships, so all financial activities in the army must strictly observe state laws and be balanced with the economic activities of each locality and society as a whole. A matter which must receive special attention is exercising absolute economy in economic activities, especially in the consumer sphere.

The actual situation during recent years has proved the positive role of the economic lever policies in the economic planning structure. That must be manifested in planning the activities of the army, in order to bring into play the positiveness, initiative, and creativity of each person, base, and locality in acting along lines beneficial to both the economy and national defense.

#### FOOTNOTES

1. F. Engels, "Anti-Duhring," Su That Publishing House, Hanoi, 1971, p 283.
2. "Documents of the Fifth Party Congress," Vol. 1, Su That Publishing House, 1982, p 68.

5616  
CSO: 4209/32



FIGURES ON HO CHI MINH CITY PUBLISHED

Hanoi TUAN TIN TUC in Vietnamese 23 Jun 84 p 5

[Article: "Did You Know?"]

[Text] Ho Chi Minh City Measures 2,028.9 square kilometers, of which only 6.8 percent lies within the 12 precincts of the inner city and 93.2 percent lies in the 6 districts in the outskirts of the city. Of the city's population of 3,293,146, only 28.6 percent lives in the outskirts of the city while 71.4 percent lives in the inner city. The city-wide population density is 1,623 persons per square kilometer. Although it only accounts for 0.6 percent of the country's land and 6.4 percent of its population, about one-fourth of the entire country's industrial production capacity is concentrated within the city.

The value of the city's industrial, small industry and handicraft output has risen from 1.381 billion dong in 1976 to 4.320 billion dong in 1983. This represents an annual average growth rate of 44 percent. In 1984, the city is endeavoring to produce a total industrial output worth at least 5 billion dong, a 15 percent increase over 1983. In the city's small industry and handicraft sector, seven precincts and districts produced an output worth more than 100 million dong in 1983, with the 11th Precinct producing an output worth 490 million dong (at 1970 fixed prices).

In 1984, the outskirts of the city are attempting to meet three targets that have to do with the number 250. They are: 250,000 tons of grain, 250,000 tons of vegetables and 250,000 hogs. Whereas they once did not produce the grain they needed and depended upon neighboring provinces for practically all of their food needs, today, the outskirts of the city are providing adequate food to the agricultural population, 400 kilograms per person, and supply 60 percent of the city's vegetables and fruit, 26 percent of its fish and 30 percent of its meat.

There are 1,156 kilometers of public streets in the city. As regards means of transportation, the city accounts for 32 percent of the automobiles, 27 percent of the motorized bicycles, 50 percent of the bicycles and more than 80 percent of the pedicabs of the entire country. The automobiles of the city, which have been imported from 16 different countries, consist of 342 different

brand names and 858 different models. However, many are very old and unsafe and this is one of the causes of traffic accidents.

The Tri An Hydroelectric Power Project, a project carried out under the guideline "the state and the people working together," is the largest in the former Nam Bo region. This project, which lies 70 kilometers from Ho Chi Minh City, has an output of 1.5 billion kilowatt hours per year (1.5 times more than the output of the Da Nhim Hydroelectric Power Plant).

The "Saigon port" consists of the following facilities: the Saigon commercial port, the Nha Rong pier, New port, the Saigon-Cho Lon port annex and the Nha Be ship to ship pier.

The Saigon commercial port and the Nha Rong pier, the main facilities of the Saigon port, lie along Trinh Minh The Landing (now Nguyen Tat Thanh Street).

Ho Chi Minh City has 100,000 technical cadres and workers trained at many different places. During the past several years, this force has participated in the research of nearly 1,000 large and small projects, 670 of which were self-funded and 330 of which were funded by scientific and technical funds allocated by the city (not including the projects funded by the central level). Of the projects funded by the city, 200 have been applied and resulted in a savings of hundreds of millions of dong.

7809

CSO: 4209/18

AN GIANG PROVINCE CHANGES ECONOMIC MANAGEMENT, SOLIDIFIES COMMERCIAL NETWORK

Hanoi NHAN DAN in Vietnamese 6 Sep 84 p 1

[Article: "An Giang Changes Economic Management, Exploits the Production and Business Drive of the Production Installations"]

[Excerpt] From now until the end of 1984 and the beginning of 1985, An Giang Province will be inspecting the general economic plans in 10 districts and cities in order to determine clearly the agro-industrial economic structure. The emphasis will be on investing in expanding agriculture in all aspects in accord with the plans for three areas: the multi-cropping rice area with an area of 180,000 hectares, of which 50 percent of the area is planted in high-yield rice; the floating rice area, which has an area of 120,000 hectares and which has the capability to grow additional subsidiary food crops for export by multicropping on the rice area; and the hilly area where special export rice is grown. For these growing areas, the province has made plans to invest capital and equipment, and its policy is to encourage and mobilize peasants to engage in intensive cultivation to increase crop yields, with emphasis given to rice, short-term industrial crops and export crops. The agricultural sector has rearranged things at the state farms in accord with profit-and-loss accounting and making profits using the An Giang State Farm as a test point. It has expanded economic ties with the central echelon and neighboring provinces and created conditions for expanding production.

The province has rearranged the state-operated industrial enterprises so as to provide good support for agriculture and balance the plans in accord with the four capabilities. The province has provided guidance in carrying out product contracts in the enterprises and advanced to gradually carrying out the general grain-fund contracts.

Concerning circulation and distribution, by the end of 1984, An Giang is striving to have credit cooperatives at half of the good marketing cooperatives and half of the villages in the province. Along with solidifying the state commercial network and the network of marketing cooperatives, the province is quickly establishing and solidifying four business corporations in the districts: commercial, grain, export and material supply corporations. Efforts are being made to give the state a monopoly on the

grain and tobacco business by the end of the year and to strengthen control over hogs and the important types of export crops such as sesame, soybeans, green beans and peppers. The province has implemented a two-price policy from the provincial to the primary level, guaranteed the legitimate rights of the producers and studied and begun paying real wages in order to improve the lives of the cadres, workers, civil servants and wage earners.

11943

CSO: 4209/11

BRIEFS

DELTA DISTRICT EXPANDS EXPORTS--Hanoi, VNA, 28 Oct--Situated in a low-lying area of the Red River delta province of Ha Nam Nih, Ly Nhan District has a very little land averaging just about 360 square metres per head of population. The district authorities have decided to make the most of its land and manpower resources to increase food output while expanding exports, especially those using materials supplied by industrial plans. Last year, the district delivered to the state 16 tons of cured longan pulp valued at more than 10 million dong. In the first 9 months of this year, it produced 28 tons of longan pulp for export, 10 tons above the yearly quota assigned by the state. The district has grown lotus for its seed which is also a valuable export item. Last year, it exported 25 tons of lotus seeds, earning 7.5 million dong. The district plans to expand the jute acreage to more than 1,000 hectares, and that of lotus to 50 hectares. Last year, the district earned 16 million dong in the export of farm produce, the second in the province in terms of export value. In the first 9 months of this year, the figure rose to 29 million dong, only 5 million short of the annual target. Twenty-five out of the 26 cooperatives in the province are making export items. These are also leading in rice production. For instance, Nhan Khang co-op which last year earned 400 dong per capita from exports was also a leading unit in rice cultivation, reaping 8 tons of rice per hectare compared with the 5.5 ton average in the district. Half of the investments in fertilizer and other needs of agriculture came from export. This does not include 6.7 million dong spent by the farmers for the purchase of consumer goods. [Experts] [Hanoi VNA in English 1515 GMT 28 Oct 84 BK]

CSO: 4200/126

## AGRICULTURE

### EDITORIAL DISCUSSES IMPORTANCE OF WINTER-SEASON CROP PRODUCTION

Hanoi NHAN DAN in Vietnamese 8 Sep 84 p 1

[Editorial: "Prepare for the Winter Crop As If It Were a Main Production Crop"]

[Text] After many years of development, the winter crop in the northern provinces, which is planted after the harvesting of the 10th-month rice and before the transplanting of the spring rice, has proven to be a production crop with great potential. It has increased the quantity of grain and food products and, in many places, it has become a main production crop. In the years with a large [winter-crop] area, the winter crop has produced almost 500,000 tons of subsidiary food crops. This has helped many areas that were short of food avoid a March preharvest, provided feed to maintain the livestock herds and produced a surplus of rice for expanding the sectors. The winter-season crop allocation is becoming more varied and producing various types of processed goods and valuable agricultural products to support domestic consumption and exports.

During the past winter season, many places slighted subsidiary food crops and reduced the area under cultivation, which resulted in subsidiary food crops yields declining by several hundred thousand tons. Many regions have planted the spring rice crop in unfavorable weather conditions, and because of this, they have had to use much seed paddy to sow seedlings many times. They don't have substitute grain and have encountered many difficulties in life and in raising livestock. This is particularly true for those regions that lacked food to begin with.

This winter season, the northern provinces are striving to plant approximately 250,000 to 260,000 hectares. This is composed of 25,000 hectares of corn, 100,000 hectares of sweet potatoes, 50,000 hectares of potatoes, 10,000 hectares of soybeans, and 70,000 hectares of various types of vegetables and legumes and other types of crops such as peppers, garlic and tobacco. Ensuring that the area quotas for growing subsidiary food crops are fulfilled or exceeded is an important target. As for this year's winter-spring rice crop, the entire country had a good harvest, and there are good prospects for the summer-autumn and 10th-month crops. However, even if the planned quotas for grain production for the entire year are fulfilled, this will

still not satisfy the grain requirements. Accelerating grain production and restoring and expanding the winter subsidiary food crops along with carrying on intensive cultivation to increase crop yields is both the target and a way of contributing to solving the grain problem.

The sweet potatoes grown during the winter season normally have a low yield. However, this is an important type of supplementary food for people and for making livestock feed. Corn is a main crop in many regions. It is a valuable type of feed for animal husbandry and is grown widely on river-bank land, particularly from Thanh Hoa on south. These two types of subsidiary food crops have busy seasons. They must be planted right after the harvesting of the early 10th-month rice so that they can be harvested before the weather turns cold. [White] potatoes are a tuber that can be used to make food products and grain. Potatoes are well suited to the winter season and give a high yield. The area in the lowlands, midlands and mountains can be expanded. The growing season is relatively long, and this is convenient for arranging laborers and for planting. Many regions have experience and are familiar with planting potatoes. If the fields are cultivated intensively, yields can reach 15-20 tons of potatoes per hectare. There are very few crops such as potatoes that have a relatively short growing period but that produce high yields and that have domestic consumption and export value. Because there are difficulties concerning seed and fertilizer, during the past few years, the potato area has gradually declined. The difficulties must be overcome, the potential concerning arable land and laborers must be exploited and planting must fulfill or exceed the quotas for potato area in order to produce additional grain and to have seed to expand the area the following season.

Along with the efforts to maintain the subsidiary food crops area, an effort must be made to grow various types of export crops and legumes and to restore the position of soybeans, a type of food that contains much protein, that is a valuable substitute for fish and meat and that foreign countries like. On marshy land, various types of vegetables must be grown in order to support animal husbandry, and duckweed must be grown for fertilizer.

Winter-season production has had and now has favorable conditions for expanding the area and increasing crop yields. The scientific and technical advances concerning crop seed have created a rich winter-crop group with a high yield, and the quality of the agricultural products is good. The crops are suited to the soil and are in accord with the farming regulations, and they have met the tests. The material and technical base of agriculture is growing stronger and stronger. Experience has been gained in growing winter crops. Changing the management mechanism and manifesting the initiative and creativity of the farmers provide very favorable conditions for the cooperatives to exploit effectively the existing favorable conditions, exploit and make better use of the arable land and labor potential, expand the area and cultivate winter crops intensively. Slighting the production of subsidiary food crops, not expanding the area in line with intensive cultivation, failing to calculate the economic results in an



all-round way and placing the emphasis on immediate interests must be overcome. With the help of the state, which will provide fertilizer and insecticides, and with the technical help of the agricultural sector, each locality and production installation must strive to create additional material conditions to maintain a balance so that the production plans can be expanded with a spirit of upgrading the winter season to a main production season with a large quantity of grain and food products that will contribute to solving society's food problem and increase the sources of agricultural products for export.

The early 10th-month rice has headed. The winter production season is almost here. The immediate task of each production installation--under the guidance and control of the district echelon--is to urgently complete readying materials, tools and bovine and machine draft power, perfect the production plans, arrange laborers and ready seed in order to plant the winter crop immediately after harvesting the 10th-month rice and to ensure that the winter crop is a success with respect to both area and crop allocation and that there are high yields and good economic results.

11943

CSO: 4209/11

still not satisfy the grain requirements. Accelerating grain production and restoring and expanding the winter subsidiary food crops along with carrying on intensive cultivation to increase crop yields is both the target and a way of contributing to solving the grain problem.

The sweet potatoes grown during the winter season normally have a low yield. However, this is an important type of supplementary food for people and for making livestock feed. Corn is a main crop in many regions. It is a valuable type of feed for animal husbandry and is grown widespreadly on river-bank land, particularly from Thanh Hoa on south. These two types of subsidiary food crops have busy seasons. They must be planted right after the harvesting of the early 10th-month rice so that they can be harvested before the weather turns cold. [White] potatoes are a tuber that can be used to make food products and grain. Potatoes are well suited to the winter season and give a high yield. The area in the lowlands, midlands and mountains can be expanded. The growing season is relatively long, and this is convenient for arranging laborers and for planting. Many regions have experience and are familiar with planting potatoes. If the fields are cultivated intensively, yields can reach 15-20 tons of potatoes per hectare. There are very few crops such as potatoes that have a relatively short growing period but that produce high yields and that have domestic consumption and export value. Because there are difficulties concerning seed and fertilizer, during the past few years, the potato area has gradually declined. The difficulties must be overcome, the potential concerning arable land and laborers must be exploited and planting must fulfill or exceed the quotas for potato area in order to produce additional grain and to have seed to expand the area the following season.

Along with the efforts to maintain the subsidiary food crops area, an effort must be made to grow various types of export crops and legumes and to restore the position of soybeans, a type of food that contains much protein, that is a valuable substitute for fish and meat and that foreign countries like. On marshy land, various types of vegetables must be grown in order to support animal husbandry, and duckweed must be grown for fertilizer.

Winter-season production has had and now has favorable conditions for expanding the area and increasing crop yields. The scientific and technical advances concerning crop seed have created a rich winter-crop group with a high yield, and the quality of the agricultural products is good. The crops are suited to the soil and are in accord with the farming regulations, and they have met the tests. The material and technical base of agriculture is growing stronger and stronger. Experience has been gained in growing winter crops. Changing the management mechanism and manifesting the initiative and creativity of the farmers provide very favorable conditions for the cooperatives to exploit effectively the existing favorable conditions, exploit and make better use of the arable land and labor potential, expand the area and cultivate winter crops intensively. Slighting the production of subsidiary food crops, not expanding the area in line with intensive cultivation, failing to calculate the economic results in an

## AGRICULTURE

### PROVINCES URGED TO PROTECT 10TH-MONTH RICE CROP

Hanoi NHAN DAN in Vietnamese 11 Sep 84 p 1

[Article: "Concentrate Efforts on Controlling Drought, Eliminating Harmful Insects and Diseases and Protecting the 10th-Month Rice"]

[Text] According to the Statistics General Department, by 5 September, the entire country had sown and transplanted 2,828,000 hectares of 10th-month rice. This was only 89.2 percent of the planned quota for area but it was a 2.7 percent increase as compared with the same period in 1983. The north sowed and transplanted 1,305,000 hectares, an increase of 0.3 percent; the south sowed and transplanted 1,523,000 hectares, an increase of 4.9 percent as compared with the same period last year.

The northern provinces and cities have shifted the emphasis to tending and protecting the 10th-month rice. To date, many localities have finished the first-phase weeding and are concentrating their efforts on doing the second-phase weeding for 73.5 percent of the area. A number of places have begun the third-phase weeding for the rice. The weeding has been done on schedule and fertilizer has been applied at the right time and in the correct way. Also, the amount of nitrate fertilizer applied to the rice has increased 6.3 percent as compared with the same period last year. Because of this, this year's 10th-month rice is growing well. However, 32.6 percent of the area sown and transplanted in 10th-month rice has been destroyed by harmful insects and diseases. In a number of provinces, much of the rice area has been destroyed by insects. For example, 57.9 percent of the rice area in Thai Binh has been destroyed, 52.3 percent of the rice area in Binh Tri Thien, 45 percent in Ha Nam Ninh and 43 percent in Hai Hung has been destroyed. Because of the shortage of insecticides, many localities have coordinated spraying insecticides with using manual measures, such as using butterfly trap lights and picking infested leaves, to kill the insects and protect the rice. For more than a week now, it has been very hot and dry, and the rice area in the northern provinces is quickly being affected by the drought. Preliminary estimates in 10 northern provinces show that 147,000 hectares of rice lack water. The provinces suffering the most include Ha Son Binh, 34,000 hectares; Thai Binh, 25,000 hectares; and Ha Nam Ninh and Hai Hung, 20,000 hectares. Together with the localities, the water conservancy, electric power and agricultural sectors have active

measures to control the drought. These include assembling sources of electricity, opening the floodgates to release water into the fields and assembling pumps and manual means to control the drought and save the rice.

The southern provinces and cities are concentrating their efforts on harvesting the summer-autumn rice quickly and transplanting the entire 10th-month rice area. Even though the south has sown and transplanted only 89.2 percent of the planned area, this is a 4.9 percent increase as compared with the same period last year. This represents a major effort. The flooding of the Tien and Hau rivers has occurred early, but thanks to being self-sufficient in materials and having made plans beforehand, Dong Thap and An Giang provinces have virtually completed harvesting the summer-autumn rice. Long An, Ben Tre, Minh Hai and Kien Giang provinces still have a large summer-autumn rice area that has not been harvested.

The planting of vegetables, subsidiary food crops and industrial crops has increased as compared with the same period last year (although the cultivation of vegetables in the north has declined 11 percent). Many types of crops have not fulfilled the quotas. For example, only 84.6 percent of the quota for corn was fulfilled. The figures for sweet potatoes, soybeans and peanuts were 48.8 percent, 46.2 percent and 55.8 percent respectively. Many northern provinces and cities are busily readying seed and fertilizer for the winter crops. To date, the localities have readied one-third of the vegetable seed needed. Because the sowing and transplanting of this year's early 10th-month rice was late as compared with previous years, winter production has been affected. The localities must have plans to ensure that the winter-season crop allocation is suitable.

11943

CSO: 4209/11

## AGRICULTURE

### SOUTHERN PROVINCES URGED TO MOBILIZE, DELIVER SUMMER-AUTUMN GRAIN

Hanoi NHAN DAN in Vietnamese 6 Sep 84 p 2

[Article: "Do a Good Job of Mobilizing Summer-Autumn Grain In the Southern Provinces"]

[Text] The summer-autumn and early 10th-month production situation in the southern provinces is quite good. The area planted has fulfilled more than 99 percent of the planned quota, average yields will probably reach 4 tons and in high places yields can reach 6 tons per hectare. Harvesting of the rice that was planted early was begun at the end of July. Many localities have made specific plans for dividing [the grain] and fulfilling their obligation to the state. This is the basis for ensuring the success of grain mobilization this season.

In order to contribute to overcoming the nationwide imbalance, the contributions of the southern provinces are of decisive importance, and the results of mobilizing summer-autumn and early 10th-month grain are very important. The chairman of the Council of Ministers has issued a directive to the southern provinces. This states that they must "make an even greater effort and resolutely fulfill and exceed the planned quotas for summer-autumn and early 10th-month production and fulfill the plans for mobilizing and delivering grain to the central echelon during the final 6 months of the year with the aim of actively contributing to satisfying the grain needs of the armed forces, workers, civil servants and other targets in the state sector, particularly at the key spots." This directive also mentions specific mobilization norms for the localities that are higher than the levels targetted at the beginning of the year. The coastal provinces in the central region and the provinces in the Central Highlands must fulfill the 1984 mobilization quotas set by the central echelon and strive to mobilize an additional 50,000 tons [of grain] converted to paddy equivalent. They must have adequate forces to balance needs on the spot and turn over an additional 20,000 tons of uncooked rice to the central echelon. In grain year 1984, the provinces in former Nam Bo must mobilize 2.4-2.5 million tons of paddy, of which 800,000 to 1 million tons must be summer-autumn and early 10th-month grain converted to paddy equivalent.

With the aim of achieving the best results possible in mobilizing summer-autumn and early 10th-month grain, the localities must actively collect

the agricultural tax in accord with the laws of the state. Based on the taxes already calculated, the production collectives, cooperatives and peasants must make compulsory deliveries of products, including past taxes owed. As for agricultural taxes owed since 1982, the provincial and municipal people's committees must guide the districts and villages in re-examining things carefully and have policies and measures for collecting the right amounts. The debts cannot be arbitrarily cancelled. Other debts must be recovered in grain in accord with the contracts with the peasants, such as the contract to supply materials from the beginning of the production season and to provide plowing and water conservancy services. An effort must be made to purchase, at a reasonable price, all the remaining grain and commodities of the peasants (except for that portion reserved to make adjustments between those in the locality who have a surplus and those who do not have enough.) As for producers who intentionally shirk paying their taxes and debts and who violate the contracts, education and efforts must be strengthened and there must be necessary prosecution measures. Another task that must be given attention is mobilizing people who have surplus paddy to purchase fatherland construction bonds.

Implementing the state's policies on unifying grain management, the grain sector is quickly improving the occupational and managerial operations apparatus, organizing the grain corporations of the provinces, cities, wards and districts, creating conditions for expanding the grain business both within and outside the plans and prohibiting individuals, as well as sectors and units whose duties do not involve the grain business, from arbitrarily using materials, commodities or cash to purchase grain. Joint grain business ventures between the localities must be planned and must be carried on under the unified control of the provincial people's council (in the provincial sphere) and the Ministry of Food (in the national sphere).

The harvesting and delivery of summer-autumn and early 10th-month grain to the granaries takes place during the rainy season. Thus, maintaining the quality of the grain is a difficult problem. This requires that each person, each family and each production and purchasing unit give attention to maintaining the quality of the grain delivered to the granaries. The party committee echelons, local authorities, sectors and production units are responsible for fulfilling and exceeding the summer-autumn grain mobilization norms and for contributing, together with the entire country, to satisfying the grain needs.

11943

CSO: 4209/11



## AGRICULTURE

### POPULATION GROWTH DIMS OUTLOOK FOR GRAIN SURPLUS

Hanoi TUAN TIN TUC in Vietnamese 23 Jun 84 p 15

[Article by Nguyen Van Trung: "Broader Thoughts on the Grain Problem from the Perspective of the Winter-Spring Rice Season"]

[Text] Against the background of the present grain situation, we await the results of the winter-spring harvest. The harvest has been completed almost everywhere in the country and initial estimates show that this year's winter-spring rice harvest has been relatively good.

The South put 628,000 hectares under cultivation (the record for the amount of area under cultivation during the winter-spring season came in 1980 with 668,000 hectares under cultivation). All provinces have recorded bumper crops. Yields have averaged 38.6 quintals of paddy per hectare, an increase of 4.8 quintals over last season. Output rose by nearly 500,000 tons. An Giang, a rice bowl province in the Nam Bo Delta, has recorded the highest yield, 52 quintals of paddy per hectare, 13.4 quintals higher than the average yield throughout the South.

Central Vietnam transplanted 176,000 hectares, which is as much as it transplanted during its previous record year, and has recorded a yield of 30.6 quintals of paddy per hectare, an increase of 4.4 quintals over last year. Phu Khanh Province leads the region with a yield of 40 quintals per hectare, 8 quintals higher than last year. It can be said that central Vietnam produced a bumper winter-spring rice crop this year. Thuan Hai Province has recorded its highest yield since liberation day. In Nghia Binh Province, as a result of the bumper crop, the price of rice will remain within the range of 20 to 22 dong per kilogram for a relatively long period of time. Nghia Binh is now procuring about 10,000 tons of grain over and above obligations.

What does the success of the winter-spring rice crop in the South show? In recent years, yields have gradually become stable and winter-spring rice has become one of the two highest yielding crops grown during the year (the winter-spring crop and the summer-fall crop). The potentials for intensive cultivation in the South are still large.



The North encountered the worst weather in 24 years during this year's winter-spring season. The start of the season was marked by a prolonged spell of cold weather and very few sunny days. Many seedlings and much newly transplanted rice died. Seed paddy had to be taken from reserve paddy and paddy allocated for livestock production in order to start new seedlings. Some places replanted their crops three or four times, using 2, 3 and even 4 times as much seed paddy as planned. In the middle of the season, drought struck as many as 350,000 hectares, three times as much as during the previous season. At the end of the season, pests infested 82,600 hectares of rice, also three times more than last year. In the face of this harsh weather, were it not for the extraordinary efforts made by collective farmers plus the steadfast and flexible guidance provided to them, were it not for the short-term, late varieties of winter-spring rice developed through the revolution in crop selection and were it not for the support provided by the various sectors, the North could not have succeeded in transplanting slightly more than 1 million hectares, which still fell short of the target by about 20,000 hectares (it was initially estimated that as many as 200,000 hectares would have to be abandoned).

According to cautious estimates, the winter-spring rice yield in the North this year is about 28.03 quintals per hectare (last year's yield was 29.1 quintals); output might drop by about 310,000 tons of grain (230,000 tons of rice and 80,000 tons of subsidiary food crops, in paddy equivalent) below last year's output.

This year, we are trying to produce a total output of 18 million tons of grain, of which this year's winter-spring output accounts for less than one-third. The result of this effort now lies with the summer-fall rice crop and, in particular, the 10th month crop. The summer-fall crop is the main crop in the South; there, yields are high but the amount of area under cultivation is small. This year, the outlook is favorable for the summer-fall rice crop in the coastal provinces of central Vietnam and the provinces of Nam Bo, where the possibilities exist for putting more land under cultivation and achieving a high yield and output. The yield of 10th month rice is generally lower than the yields of the two earlier crops but the amount of area under cultivation and output are large.

The "high anxiety" over grain in the North gradually subsided as the winter-spring rice crop was harvested. However, in view of our country's present circumstances, grain will surely continue to pose a difficulty for a long time to come. The increase in the output of grain by 1 million tons in each of the past 3 years is confirmation of a victory on the grain production front. However, this is only an initial victory. The grain problem in our country still has not been fully resolved. With an average standard of eating that has not exceeded 300 kilograms in any year, even skill in distribution can only temporarily provide enough grain for humans, not to mention grain for livestock and reserves within the granaries of the state and among farmers.

The grain situation has been made even more difficult for us by the fact that the population rose by as many as 9 million persons between 1976 and 1983. Meanwhile, in the space of only 14 years, we have lost the equivalent of a medium-size province in cropland due to inefficient management and use!

In the years ahead, if the weather is moderate, if the state provides agriculture with more than 2 million tons of nitrogen fertilizer and other necessary supplies, if all sectors make extensive efforts to engage in agriculture and join together in a series of other efforts, we will be able to make the grain reserves of the state and people more plentiful and table rice will surely no longer be a source of continuing concern to the state and each of our citizens.

7809

CSO: 4209/18

## HEALTH, EDUCATION AND WELFARE

### CHINH NGHIA ANNOUNCES THAT IT WILL CEASE PUBLICATION

Hanoi CHINH NGHIA in Vietnamese 25 Mar 84 p 1

[Article by the CHINH NGHIA Editor's Office: "CHINH NGHIA Says Farewell to Its Readers"]

[Text] CHINH NGHIA has now served its readers for 29 years. In past years, carrying out its function as the organ of the All-Vietnam Liaison Committee for Catholics by publishing 1,364 issues, CHINH NGHIA has followed and supported the patriotic movements of Catholics in the country.

Thanks to the leadership of the party and the efforts of the All-Vietnam Liaison Committee for Catholics, Vietnamese Catholics soon decided on the path to follow with the nationals and actively participated in the revolutionary movements of all the people. The achievements scored in destroying the enemy and saving the country and in laboring to build the fatherland have made members of the Catholic faith enthusiastic and proud and given them even more faith in the path that was chosen.

On the path forward with the nationals, CHINH NGHIA, which has served as a close friend, has always brought our fellow church members unshakable faith and understanding concerning the rules of life so that they could fulfill their responsibilities to the fatherland as Catholics. This newspaper has helped us to understand our friends in order to tighten the ranks in the national collective and to see the enemy clearly in order to advance continually and win a glorious victory. Furthermore, the newspaper has helped us understand that the basis for creating material wealth to enable our socialist Vietnamese fatherland and ourselves to prosper is the creative labor strength of each of us who is deeply patriotic.

Now, the All-Vietnam Liaison Committee for Catholics has completed its historical mission and so CHINH NGHIA has also completed its task. Tomorrow, the new newspaper of the Patriotic Catholics Solidarity Committee will make its appearance and continue to serve our church members on the new path of the country and nationals.

As companions on the path, in the process of providing support, there will always be shortcomings. We hope that our readers and fellow church members will be understanding.

On this occasion, CHINH NGHIA wants to express its sincere gratitude for the great help provided by fellow church members, correspondents and cooperators both here and abroad.

**END OF**

**FICHE**

**DATE FILMED**

7 DEC 1984

